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
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A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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Confidential
UNIVERSITY OF TORONTO
DEPT. OF POLITICAL ECONOMY
January 1948
BAROMETRICS FILE " 
Government
Publications
FEATURE ARTICLE.....

The Construction Industry
during 1947

Volume 4

Number 1

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The CANADIAN LABOUR MARKET is a monthly publication prepared by the Manpower Analysis Division of the Research and Statistics Branch.

The purpose of the report is to provide labour market information on the nature and behaviour of the Canadian labour force and of particular industries, occupations, and areas. This information is the product of labour research involving the analysis of employment, unemployment, wages and hours of labour. The effect of institutional impacts upon the labour market, the nature of labour supply and demand, and the human characteristics and relationships which motivate individuals seeking a livelihood or providing opportunities for the employment of others are also considered.

The material in this report is organized under three major headings, national, industrial, and regional analysis. The basis approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation.

For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS.....

The Labour Market during January

Digest of Opinion on Labour Topics

Employment Service Activities during 1947

REGIONAL UNPLACED APPLICANTS

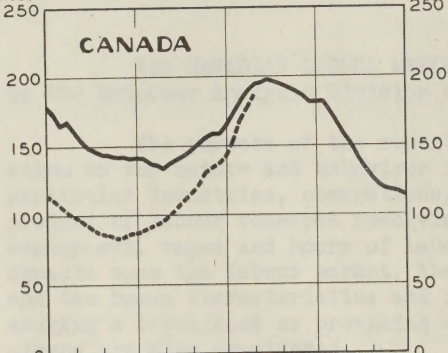
AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

[JULY 1946 - JULY 1947]

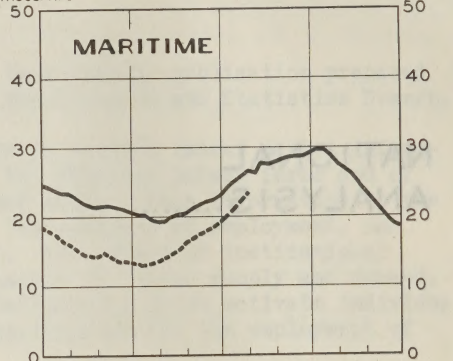
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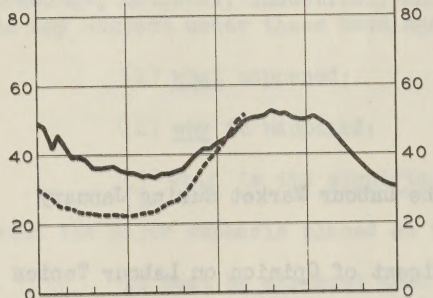
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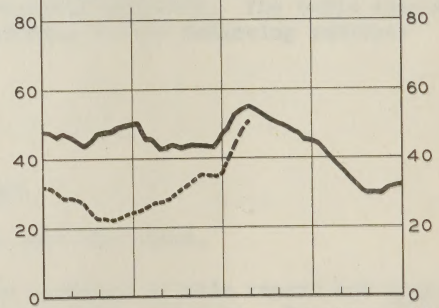
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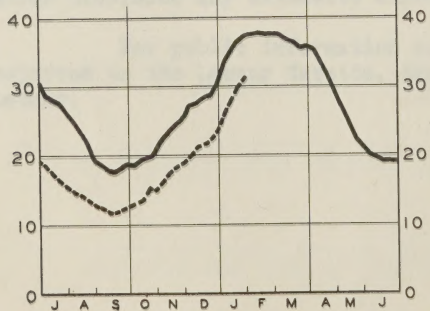
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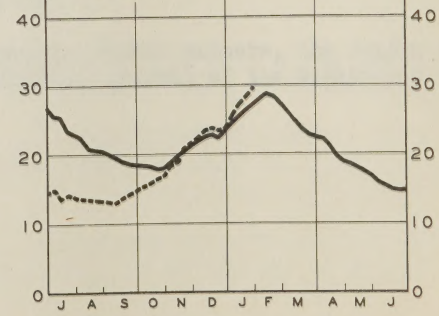
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THE LABOUR MARKET DURING JANUARY

With seasonal inactivity dominating the Canadian labour market, except in mining and in a few manufacturing fields, unskilled and marginal workers have been particularly affected. Labour supply has also been strengthened by the addition of many married women and older people with fixed incomes; these are seeking supplements to family incomes because of the present high cost of living. The employment outlook continues to be favourable, although a few lay-offs have occurred as a result of import restrictions.

Seasonal inactivity dominated the Canadian labour market during January. Employment declines occurred in almost all industries, with the exception of mining and a few manufacturing fields. In addition, preliminary information suggested that seasonal employment declines this year are somewhat greater than was the case throughout the war years. In non-agricultural industries before the war, seasonal fluctuations were more than twice what they have been since 1939.

Unskilled and marginal workers have been particularly hard hit by the current lull in labour market activities. Service workers, carpenters, truck drivers, and clerks have also been affected.

With reference to supply, there is strong evidence that married women and older people with fixed incomes are re-entering the labour force. Rising food costs are reducing the buying power of family incomes and many married women are finding it necessary to seek work to increase the family income. Younger people, too, especially young women who formerly helped around the house, are appearing in increasing numbers in the labour market.

The rising cost of living is also decreasing the buying power of older people with fixed incomes. As a result, many of these are finding it necessary to look for jobs.

These are temporary developments, however. Basically, the employment outlook continues to be favourable. The United States Dollar Conservation program has resulted in only a few sporadic lay-offs. At first, employers were hesitant about taking on additional staffs, but as soon as the details of the various import restriction plans are decided, it is likely this program will lead to increased employment.

By January 29, 1948, unplaced applicants registered at Employment Service offices numbered 186,000, an increase of 44,000 since the first of the month. Last year, applicants only rose 29,000 during January. The rate at which applicants increased this January was a continuation of a trend which had become evident as early as last October. In December, 1947, applicants increased by 26,000; during the previous December, the increase was 19,000. In November of each year, the figures were 21,000 and 12,000 respectively.

Canadian labour income, including wages, salaries, and supplementary labour incomes, amounted to \$6,125 million in 1947, according to a preliminary estimate released by the Dominion Bureau of Statistics. This was 18 per cent above the total labour payments in 1946.

In 1947, total labour income amounted to 57.1 per cent of the total national income of the country. During the war years, the large amounts of income payments in the form of military pay and allowances depressed this percentage to about 50. In 1938 and 1939, labour income comprised a little over 60 per cent of the national income.

Ordinary live claims underwent their sharpest monthly increase in 1947 during December. At the end of December, ordinary claimants on the live unemployment register numbered about 94,500. This was about 35,000 higher than at the beginning of the month. It is likely that there was another sharp increase in claimants during January.

In December, 1947, the average amount of benefit paid per beneficiary was \$36.83; it was \$34.48 in November, and \$36.44 in December, 1946.

During November, weekly earnings of wage earners in manufacturing more than kept pace with the rising cost of living. As a result, real weekly earnings moved upward slightly. At December 1, 1947, the index of average real weekly earnings for manufacturing production workers was 104.2 (average 1946 = 100).

CALENDAR OF LABOUR MARKET EVENTS

1948

- Jan. 9 Striking steelworkers of the two Vancouver Dominion Bridge plants rejected a company offer of a 10-cent-an-hour wage increase and voted to remain on strike.
- Jan. 13 Eight hundred and sixty Displaced Persons arrived in Canada. Of these, 182 were garment workers, 167 were miners, 81 were steel workers, 46 were heavy labour and 91 domestics.
- Jan. 13 Coal miners went on strike at five Crows Nest, Alberta mines.
- Jan. 14 British Columbia coal miners struck in sympathy with Alberta miners.
- Jan. 15 RCA Victor, Ltd., Montreal, permanently laid off 250 employees because of a reduced production scale following imposition of the 25% excise tax.
- Jan. 15 Dominion Corset Co., Ltd., Quebec, laid off 150 employees for an indefinite period and cited as a reason lack of materials due to import restrictions.
- Jan. 17 Eight hundred and fifty-nine Displaced Persons arrived in Canada. Of these, 217 were garment workers, 79 were miners, 33 were foundry workers, and 301 domestics.
- Jan. 18 After a two-day conference in Brantford, Ont., attended by agricultural implement workers in the U.S. and Canada, a farm equipment department of the UAW-CIO was set up. It pledged full support of the general wage objective of the union.
- Jan. 21 The Toronto printing strike ended at all plants except MacLean-Hunter Publishing Co. and Bryant Press.
- Jan. 22 The executive Board of the United Mine Workers of America (CCL), district 26, turned down a general wage increase of 25¢ a day offered by the Dominion Steel and Coal Corporation.
- Jan. 26 A total of nearly 20,000 Western Ontario workers were temporarily laid off as factories closed down because of a shortage of industrial gas due to cold weather.
- Jan. 27 Representatives of the Ontario Federation of Shipyard Workers rejected a wage offer of a 3-cent-an-hour increase on behalf of employees of the Port Arthur Shipbuilding Co., Ltd., the Collingwood Shipyard, Ltd., and the Midland Shipyard, Ltd.
- Jan. 30 Two hundred employees were released from the Campbell Soup Co., Ltd., Toronto, because the company was unable to obtain sufficient fresh fruit and vegetables following import restrictions.

Table IV—Economic Indicators of the Canadian Labour Market

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on strike and lockouts, and industrial production, which are taken during the month. Latest figures are subject to revision.

Indicators	Nov. 1939	Nov. 1941	Nov. 1942	Nov. 1943	Nov. 1944	Nov. 1945	Nov. 1946	Oct. 1947	Nov. 1947
Employment (a)—									
Index (Av. 1926 = 100)....	123.6	165.4	180.4	185.6	181.1	169.4	181.1	193.1	195.5
(June 1, 1941 = 100)	-	109.4	119.3	122.8	120.0	112.3	120.0	128.0	129.6
Number (thousands).....	1,327	1,776	1,937	1,993	1,944	1,819	1,948	2,091	2,122
Female (thousands).....	-	-	-	-	-	-	443	460	467
Unemployment (b)—									
Total (thousands).....	-	-	-	67	70	156	134	87	96
Male (thousands).....	-	-	-	38	39	120	103	59	65
Female (thousands).....	-	-	-	29	31	36	31	28	31
Live Claims—									
Total (thousands).....	-	-	-	-	8	62	57	37	42
Male (thousands).....	-	-	-	-	5	44	40	24	27
Female (thousands).....	-	-	-	-	3	18	17	13	15
Earnings (a)—									
Aggregate payroll (June 1, 1941 = 100)	-	-	139.5	150.6	149.9	139.2	154.6	184.5	188.5
Per capita weekly earnings	-	-	29.85	31.59	32.30	32.03	33.42	37.38	37.71
Cost of Living (c)—									
(Av. 1935-39 = 100).....	103.8	116.3	118.6	119.4	118.9	119.9	127.1	142.2	143.6
Man-hours and hourly earnings (a)—									
Average hours per week.....	-	-	-	-	46.3	44.9	42.4	43.1	42.9
Average hourly earnings.....	-	-	-	-	70.3	67.6	72.9	83.4	84.7
Strikes and lockouts (b)—									
Number.....	14	12	26	28	12	24	20	46	28
Workers involved (thousands).....	5	5	20	18	2	31	8	28	15
Man-working days lost (thousands).....	36	42	103	104	5	423	33	428	120
Industrial Production (d)—									
(Av. 1935-39 = 100).....	120.7	168.8	191.4	200.0	194.4	156.7	165.6	179.6	178.9

(a) Source: Employment and Payroll Branch, D.B.S. (All figures are based on the nine leading industries except man-hours and hourly earnings, which apply to manufacturing only.)

(b) Source: Research and Statistics Branch, Department of Labour.

(c) Source: Prices and Cost of Living Branch, D.B.S.

(d) Source: Business Statistics, D.B.S.

DIGEST OF OPINION ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by labour and business leaders about major labour topics. The following statements have been carefully selected to represent the consensus of opinion in each group about each specific topic. Where opinions amongst labour or business leaders are divided, two or more statements have been chosen which most aptly represent the various points of view. It should be clearly understood that the listing of any opinion in this section does not mean that the Research and Statistics Branch is in agreement with it. The opinions are only published as indicative of the views of the group to which the persons who express them belong.

WAGES AND PRICES

LABOUR OPINIONS:

Percy Bengough, president of the Trades and Labour Congress, spoke in support of price controls and warned that the unions affiliated with the TLC would be forced to seek general wage raises to correspond with soaring living costs.

Pat Conroy, secretary-treasurer of the Canadian Congress of Labour, stated that failure of both the government and management to check price increases has left labour no alternative to seeking substantial wage increases during 1948.

The National Policy Committee, representing all Canadian unions of the United Steelworkers of America, has stated that the \$45 weekly minimum set last October for their 1948 objective, is now wholly inadequate.

George Burt, Canadian director of the United Automobile Workers (CIO-CCL), announced that the wage policy committee of the UAW has adopted a five-point program calling for substantial wage increases and a roll-back in prices, along with re-imposition of price controls and the excess profits tax.

Earl Watson, president of local 195, UAW-CIO, Windsor, stated that Canadian automobile workers will follow the pattern set in the United States with respect to wage increase demands.

The United Electrical Workers Union, (CIO-CCL), issued a recent statement announcing that the union will seek wage increases of 30 cents an hour and a 40-hour week and that it will co-ordinate its wage drive with other CCL unions.

The International Union of Mine, Mill and Smelter Workers has announced demands for a 35 cent hourly wage increase, union security and wage reopening of contract. Union officials have also stated that the 6.72 cents an hour bonus granted by the operators of 21 northern Ontario gold mines was insufficient to meet cost-of-living increases.

BUSINESS OPINIONS:

George Spinney, late president of the Bank of Montreal, in his year-end statement said: "At a time like the present, self-imposed restraint from charging what the traffic will bear, whether for goods or the skill required to produce them...is a safeguard that no group, representative of labour or industry and responsible for shaping policies that bear on prices and costs, can afford to ignore."

F.H. March, president of the Bank of Toronto, in his year-end statement said: "Labour, like management and capitalism must see that inflation is everybody's business and that it cannot be corrected by exorbitant profits or continuous increases in wages which simply add fuel to the fire. One of the most effective remedies is to increase production without adding to costs."

C.H. Carlisle, president of the Dominion Bank of Canada, in his year-end statement said: "It is encouraging to note that labour organizations are purging themselves of a radical and destructive element. This accomplished, organized labour can be a powerful influence in increasing production and reducing costs."

E.L. Longmore, general manager of Hollinger Mines stated that the recent cost-of-living bonus paid to northern Ontario gold miners could not be guaranteed as a permanent policy if the cost of living continued to rise, since the fixed price of gold and increasing costs would ultimately bring about a situation necessitating discontinuance.

IMMIGRATION

LABOUR OPINIONS:

The United Textile Workers of America, (AFL), at a conference of Central Ontario locals, condemned the manner in which the Wood Manufacturing Co. in Welland, Ontario, was bringing 100 European Displaced Persons into its plant. They contended that the move would lower employment of local men; that present employees were being asked to move from company houses to make room for the imported workers; that the unions should have representatives on the selection board.

BUSINESS OPINIONS:

Earl Rowe, president of the Ontario Forest Industries Association, stated that the supply of woods labour during the last two months of 1947 had been more than ample and attributed this partly to the employment of Displaced Persons.

John Dibble, manager of personnel, Ontario Hydro Electric Power Commission, stated that arrangements now under way for securing 2,000 Displaced Persons for this industry are expected to help overcome labour shortages such as those experienced last summer.

EMPLOYMENT SERVICE ACTIVITIES DURING 1947

Placement operations at National Employment Service offices during 1947, although smaller in volume than in 1946, tended to be more diverse in character. The movement of workers from area to area as well as the placement of handicapped persons played prominent roles. In addition, activities were highlighted by an attempt to breakdown the discrimination of employers against older workers and to broaden the youth guidance and placement facilities. The organized seasonal movements of agricultural workers were again successfully accomplished as was the placement of university students into summer jobs.

The role of the National Employment Service in a peacetime economy began to take shape during 1947. Early in the year, the remaining regulations channelling workers and jobs through employment offices were almost entirely removed. The weekly contact between employers and employment offices to report hirings and separations was replaced by a semi-annual survey. The regulation which compelled employers to register all vacancies with the Employment Service was altered so that firms in non-insurable industries were exempt. In addition, it became unnecessary to register jobs in non-insurable employment which were vacant less than 24 hours. These new regulations placed the use of the Employment Service largely on a voluntary basis. As a result, the level of the National Employment Service activities became much more influenced by the extent to which employers listed their vacant positions as well as the extent to which workers registered for employment.

The volume of Employment Service activities during 1947 fell considerably below that reported in 1946. Persons registered for work were 17 per cent fewer, jobs reported were 19 per cent less, and placements effected were 10 per cent below 1946 levels.

These declines did portray to some extent the change in economic conditions. In 1946, the tremendous job of absorbing hundreds of thousands of ex-servicemen and war workers abnormally boosted labour market activities. These sources of labour for peacetime industries were largely exhausted by 1947, and only the influx of youths and immigrants offered important sources of labour for placement during the year aside from the work arising from the usual turnover of labour. The movement of workers from area to area was stepped up somewhat during 1947 as was the absorption of older and handicapped workers but, despite this, labour market activities continued at a consistently lower level than in 1946.

Organized migration scheme eases unemployment in Nova Scotia--Late in 1946, the Dominion Government took action to relieve the steadily increasing unemployment problem in Nova Scotia. Provision was made to pay transportation costs for unemployed persons willing to migrate to gainful employment in other parts of the Dominion. The movement was carried out through the facilities of the National Employment Service. Unemployed workers wishing to take advantage of the special facilities offered were contacted and screened by employment officials. In addition, employers in other parts of the country who needed workers were notified through the clearance facilities of the Employment Service of the opportunity to obtain these workers.

By the end of 1947, some 2,600 Nova Scotians had been moved under these arrangements. Sydney and New Glasgow provided the bulk of these workers, although several hundred others also left Amherst and Halifax. By providing a freer exchange of employment information, this organized program set the pace for a spontaneous movement of many additional persons which, in itself, helped to relieve the extent of unemployment in the Maritimes.

Some indication of the success of the program is shown by the decline during 1947 in the number of unplaced applicants registered within the unemployment areas. Unplaced applicants in the New Glasgow area dropped by 1,330, or 50 per cent, over the year, while in the Sydney district a drop of 400, or 9 per cent, occurred. The movement materially improved the situation in New Glasgow but has not as yet appreciably bettered employment conditions in the Sydney area.

For further information on this scheme see CANADIAN LABOUR MARKET, October, 1947.

The problem of the older worker—The discrimination against older workers by the hiring policies of many employers was challenged during 1947. This employment practice itself was not a new phenomenon. It had characterized the hiring practices of many firms during the recovery years of the late 'Thirties'. In the war years, however, it had almost disappeared due to the great need for manpower.

It became apparent during 1947 that many employers were hesitant in hiring older workers, despite their great need for additional help and the shortage of labour that existed. Employers claimed that older workers were less productive and not as adaptable as younger workers. In addition, they pointed out that the expense of bringing an older worker under the provisions of existing pension and welfare scheme was relatively high. These claims were discussed and evaluated with many employers and, at the same time, it was pointed out that there were many advantages to be gained by hiring an older worker, such as lower labour turnover, greater loyalty, and fewer accidents.

Publicity campaigns were launched early in the year in order to place this problem along with its possible implications before the public. The Department of Veterans Affairs, in cooperation with the Employment Service, enlisted Citizens' Committees in various communities to support the objects of this campaign. Many local newspapers took up the problem, and aided the program by publishing helpful editorials on the matter.

The program met with fair success in 1947. The Employment Service was able to considerably reduce the number of older workers unemployed. At October 30, there were 10,000 fewer unplaced workers in the "past 45" age group than one year before. The proportion which these workers represented of the total number of unplaced applicants, however, remained about the same, 29 per cent. It appears that the discrimination, although lessening, continues to exist. The 27,000 unplaced older workers at October 30 probably showed a seasonal increase to about 40,000 by the end of the year.

For further information on this problem see CANADIAN LABOUR MARKET, July, 1947.

Organized transfer schemes meet seasonal labour needs of agriculture—The recruitment of labour to meet the harvesting requirements of agriculture during the "tight" labour market of the summer and autumn months has always presented a problem. To meet this problem, the National Employment Service has developed an integrated program of labour transfers. These transfers, which are organized group movements of farm workers, endeavour to make a greater use of the agricultural working force by moving groups of workers from area to area in accordance with the various harvest seasons.

At the same time, they draw persons from urban centres by offering reduced transportation fares and thus facilitating movement to work which pays relatively high wages.

During 1947, some 20,000 persons were transferred to various seasonal jobs in agriculture under 12 individual movements. Of those moved, 2,500 were within the province, 5,000 between provinces, and 12,500 between this country and the United States. Transportation concessions aided recruitment in the majority of the interprovincial schemes, the cost being divided between the Dominion Government and the Government of the province involved.

The fact that no crop losses were reported as a direct result of labour shortages during the harvesting season indicates the success of this program.

For further information on these movements see CANADIAN LABOUR MARKET, December, 1947.

Organized campaign to find summer jobs for university students—During 1947, the Employment Service, through its Executive and Professional offices and aided by the Bureau of Technical Personnel, endeavoured to find employment for all university students seeking summer work. A letter was sent to employers requesting notification of possible job openings for summer employment. Approximately 7,000 jobs were uncovered by this means. Notices of positions were then posted in each university and were constantly revised as additional employment opportunities became available.

In addition, liaison was established between local Employment Offices and universities. Accordingly, many suitable jobs which were found through regular Employer Relations channels were made available to students. To aid in selection, Employment Offices were usually stationed within the universities to interview students and to enact referrals.

It was estimated that at the close of the university year only 1,000 of the 40,000 students seeking summer work were without jobs. The majority of those employed, however, were unable to secure employment in the line of work for which they were trained. An earlier and more extensive campaign which is being launched this year will overcome this difficulty to a greater extent.

Increased placements of physically handicapped workers—The buoyant employment conditions of 1947 offered an excellent opportunity for increasing the employment of physically handicapped workers. Placements of handicapped persons totalled 15,000 in 1947 as compared with 14,000 in 1946. The increase was particularly outstanding when compared with activity in the general field; total placements during 1947 were 90,000 fewer than in 1946.

Throughout the year, employment officials reported that employers were cooperating in the absorption of the handicapped worker. This was particularly true in cases where the applicant was a veteran. Frequent visits with employers, combined with a careful study of the job structure of the industry in order to locate jobs which were suitable for handicapped workers, were the bases for securing vacancies. The results of the survey of handicapped persons by the National Employment Service early in 1947 was particularly valuable in breaking down unwarranted prejudices among less interested employers.

In general, it may be said that 1947 marked a year of considerable advancement in the placement of physically handicapped persons. Although this was due partly to the general shortage of labour, it also largely reflected improved placement techniques on the part of placement officials.

Youth guidance and placement broadened—The Special Placement Sections of the National Employment Service reported a closer liaison between themselves and schools during 1947. A considerable number of schools invited employment officers to address the student body concerning the services available at the National Employment Service and to outline the general employment situation. The registration of graduating students was undertaken at the school or, in some cases, in special evening "open houses" held at employment offices. Employment officials reported that school authorities were most cooperative in providing information regarding the scholastic record of the students registering for jobs.

The Toronto Youth Centre completed its first full year of operations during 1947. Approximately 16,000 youths registered for employment during the year, all of whom received vocational guidance from trained counsellors and a few of whom were given tests at the Centre. The Centre effected 9,000 placements during 1947, 6,000 male and 3,000 female.

Clearance facilities respond to calls for additional help—By the end of 1946, many industrial centres had exhausted their local supply of labour. In order to meet rising industrial labour needs during 1947, therefore, the National Employment Service made greater use of its clearance machinery. Because of the country-wide network of employment offices, for instance, it was possible for job vacancies to be circulated from the Pacific to the Atlantic coast, if necessary.

Many of the industrial expansion projects throughout the country resorted to these clearance facilities in order to obtain additional staff. The Hydro-Electric Power project at Des Joachims, the new nickel refinery in Port Colborne, new textile plants in Quebec, fish processing plants in Nova Scotia, British Columbia logging companies, and many others, all recruited workers through the general process of clearance.

The number of persons transferred to specific jobs outside the local office area in which they were registered jumped from 31,000 in 1946 to 41,000 in the past year. Well over one half of the rise, however, was due to the inclusion in the 1947 figure of some 7,000 persons who were transferred to the United States. In the figures for 1946, this United States migration was not included. Notwithstanding, it is evident that clearance procedures played a greater role in labour market activities during 1947 than in the preceding year.

For further information on the clearance facilities of the National Employment Service see CANADIAN LABOUR MARKET, October, 1947.

INDUSTRIAL ANALYSIS.....

The Construction Industry during 1947

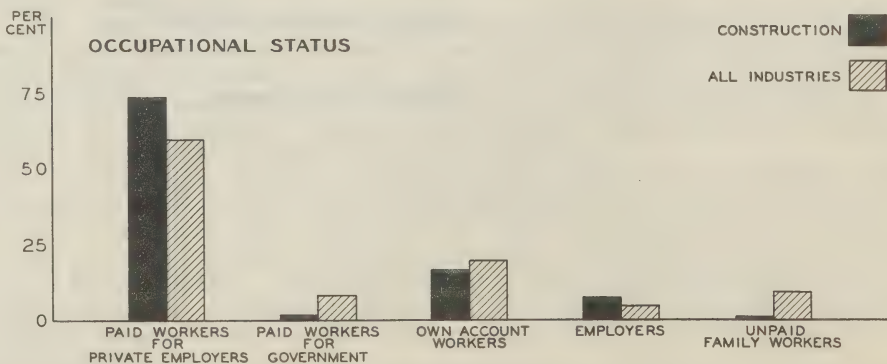
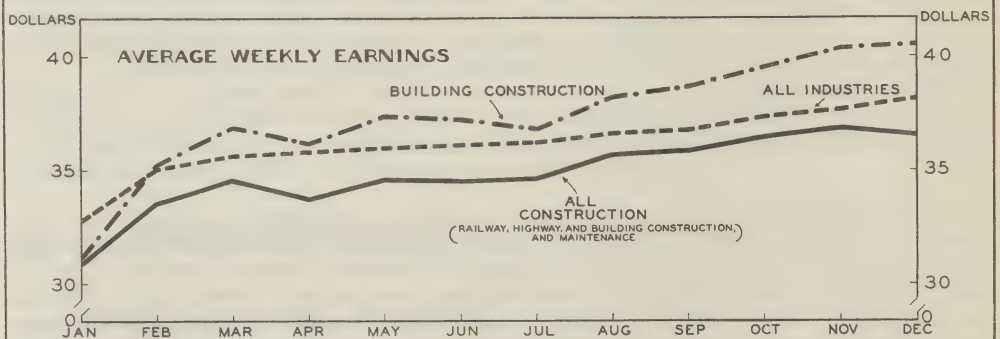
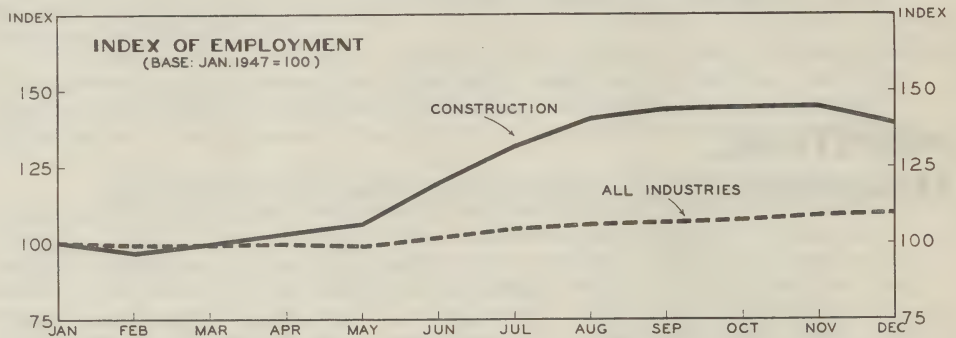
Industrial Labour Market Summary

Wage Trends during 1947

Recent Wage Changes

EMPLOYMENT AND EARNINGS IN CONSTRUCTION

1947



SOURCE -- EMPLOYMENT INDEX & AVERAGE WEEKLY EARNINGS - EMPLOYMENT AND PAYROLLS D.B.S.
OCCUPATIONAL STATUS - LABOUR FORCE SURVEY D.B.S.

RESEARCH AND STATISTICS BRANCH - DEPT. OF LABOUR - M. 4 - B. 1

THE CONSTRUCTION INDUSTRY DURING 1947

Activity in the construction industry was at an all-time high during 1947, with an employment peak 16 per cent above that in 1946. The greatest increase took place in building construction. The tight supply situation and the labour shortage were the main problems confronting the industry, but the latter was alleviated to some extent by government training schemes for construction workers, and immigration promises further additions to the working force in 1948.

The past year has been one of general labour shortages. During 1947, almost all Canadian industries were competing for labour to meet their expansion needs. It was in these circumstances that construction companies had to obtain sufficient workers to carry out a huge building program. How successful the construction industry was in meeting the problems arising out of this situation can be measured by the high level of employment and activity which was reached.

Employment in construction increased rapidly after the war and has since continued to expand steadily as the material supply situation improved. During 1947, activity in the industry was at an all-time high, with an employment peak estimated at 284,000, about 16 per cent above 1946.

Among the major divisions of the industry, the increase in employment, in comparison with last year, was greatest in building construction which averaged 30 per cent above 1946. The increase in highway construction employment was less marked, being about 10 per cent over the previous year. Employment in railway construction and maintenance, the third major group, was relatively unchanged.

As stated, the industry's problems were many. The production of building materials was greatly outdistanced by demand, especially in the first half of the year, and the pressure on prices was correspondingly great. Active cooperation between the building materials industry and the government removed many bottlenecks, however, and production was accordingly boosted to the point where price de-control was possible. Prices rose further following this action, but now seem to be levelling off.

Table I—Wholesale Price Index - Building Materials (1926 = 100)

(Source: Prices Br., D.B.S.)

Date	Building Materials	Producers Goods	General Prices
1929	99.0	96.1	95.6
1939	89.7	70.4	75.4
1946	134.8	105.7	108.7
November, 1946.....	140.9	108.1	111.6
November, 1947.....	186.9	139.8	142.5

Economy in building was also difficult since delays caused by material shortages often prevented the full use of tradesmen. Many contractors pooled their skilled tradesmen, who would move back and forth between projects as supplies came through.

The demand for labour, too, was outdistancing supply. In order to enlarge our pool of skilled tradesmen, Government training schemes were set in motion, directed chiefly at the re-habilitation of veterans and leading to the paying of fees and living allowances to trainees for the duration of their training period. A special effort was made, particularly in 1946 and 1947, by personal counsel and by publicity, to call the attention of veterans to the building industry as a future field of employment. Both employers and unions were most helpful, and the ratio set for apprentices to journeymen in each trade was temporarily relaxed to permit the employment of additional veterans.

The response was good. In fact, there was a tendency for too many to enter the electrical and plumbing trades. On the other hand, however, not enough were applying for painting, decorating, and plastering, but, by counselling, more are being channelled into these trades. Since 1944, some 13,000 workers have learnt the building trades under the Canadian Vocational Training scheme—the distribution among the different trades appears below. The normal length of the pre-employment course in the building trades was about 6 months, and a generous time credit towards the journeyman's certificate was given by the Provincial Apprenticeship Authorities for those who successfully completed a pre-employment course in C.V.T. schools.

Table II—Training for the Skilled Construction Trades from April 1944 to December 1947

(Source: Canadian Vocational Training Br., Dept. of Labour)

Trade	Number Enrolled
Brick & stone masons.....	1,700
Carpenters.....	3,800
Electricians.....	3,600
Painters.....	900
Plasterers.....	200
Plumbers.....	2,000
Sheet Metal.....	1,000
Total.....	13,200

The training was of a practical nature, covering all features of the trade, but allowed sufficient time for class instruction so that the veterans could learn the essential knowledge of trade theory and related technical instruction. The training involved the actual construction of houses, which were afterwards sold at cost price to veterans.

The effect of the C.V.T. program on employment was naturally more apparent in 1947 than in 1946. Employment of unskilled workers often depends upon the number of skilled men available—usually one skilled tradesman creates jobs for several unskilled men. Therefore, as the pool of skilled tradesmen grew—and of course also as the supply situation improved—total employment in construction expanded some 16 per cent over the 1946 level.

Immigration of Construction Workers—

Offices of the National Employment Service worked to channel labour into construction projects where needed, despite the over-all scarcity of workers during the summer. Engineering construction mushroomed with the good weather and thousands of workers had to be found, often for jobs in remote areas. Despite the help of students on holidays and casual workers, the pressure for immigration of construction labour grew. Provincial and federal government representatives as well as industrial agents were recruiting immigrants abroad. Of the 57,000 immigrants coming from Europe during the year, many were headed definitely for construction jobs, and others probably drifted into the industry. Of the 18,000 Displaced Persons scheduled to arrive, 35 per cent were going into the construction industry.

Labour relations in the industry remained relatively peaceful during the year—only 44,000 man-working days were lost through strikes in construction firms out of a total of 2,422,000 man-days lost in all industries—less than 2 per cent. Wage increases were negotiated in the construction industry averaging 7 per cent over 1946 levels for the chief trades. Wage increases in other industries averaged from 10 to 18 per cent above 1946—in manufacturing, 17 per cent; in mining, 15 per cent—but the level of actual earnings was substantially lower than in construction. In manufacturing, hourly earnings are 83.4¢ per hour while in construction they vary from 90¢ to \$1.50 for the different trades, according to latest information.

Table III—Wage Rates for Selected Trades in
Four Major Cities

(Source: MacLeans Engineering & Contract Record)

	Bricklayers	Carpenters	Plumbers
	\$	\$	\$
<u>Montreal</u>			
October, 1946	1.17	1.06	1.01
" 1947	1.40	1.06	1.11
<u>Toronto</u>			
October, 1946	1.35	1.20	1.30
" 1947	1.66	1.41	1.54
<u>Winnipeg</u>			
October, 1946	1.30	1.15	1.25
" 1947	1.45	1.25	1.35
<u>Vancouver</u>			
October, 1946	1.20	1.25	1.35
" 1947	1.64	1.44	1.39

Volume of 1947 Construction—

The dollar volume of construction contracts awarded during 1947 topped all previous records. The \$718 millions chalked up for 1947 is some 8 per cent above the 1946 total although increased building costs (at least 20 per cent above 1946) offset this gain. During the early part of the year it was feared that rising costs were cutting down the volume of building as the value of contracts awarded dropped in the period from March to May. It seems, however, that the heavy carry-over of work from 1946 accounted for most of this trend, and contracts awarded rose sharply in the last half of the year.

Interesting and diverse trends took place in the different construction fields. Contracts awarded for residential construction declined by 8 per cent, which represents a considerable contraction in actual house and apartment building, in view of increased costs. The Central Mortgage and Housing Corporation, however, expected that 73,000-77,000 housing units would have been completed in 1947, as against 64,000 completions during 1946.

Industrial construction contracts also fell sharply—some 18 per cent. Even so, however, the total capital invested in 1947 was five times the amount in 1939 and twice that of 1929.

Commercial construction contracts jumped above the 1946 record by 28 per cent. Although stores, churches, and hotels account for a large proportion of this total, it was hospital, school, and office building which was mainly responsible for the increase.

Engineering construction contracts were up 34 per cent over 1946, as war-deferred projects were finally started. The building of dams and wharves showed the greatest gain, as a result of hydro-electric expansion throughout the country.

Regionally, 70 per cent of the new building took place in Ontario and Quebec, the highly industrialized regions.

Table IV—Value of Construction Contracts Awarded, 1947

(Source: MacLean Building Reports)

	1947	1946	% Change 1947/1946
Residential	197,000,000	213,000,000	- 8
Industrial	113,000,000	138,000,000	- 18
Business	240,000,000	187,000,000	+ 28
Engineering	168,000,000	125,000,000	+ 34
Total	718,000,000	663,000,000	+ 8

The Outlook—

The outlook for the construction industry in 1948 points to another year of capacity operations. Costs appear to be stabilizing, and the supply of skilled tradesmen is steadily increasing through C.V.T. efforts and immigration.

Under the program of capital goods control, industrial and housing construction will be encouraged. Engineering construction will probably continue at its present level; it does not, however, compete greatly with building construction either for materials (other than steel, of course) or for skilled tradesmen, using materials such as asphalt and gravel, and much common labour and machinery.

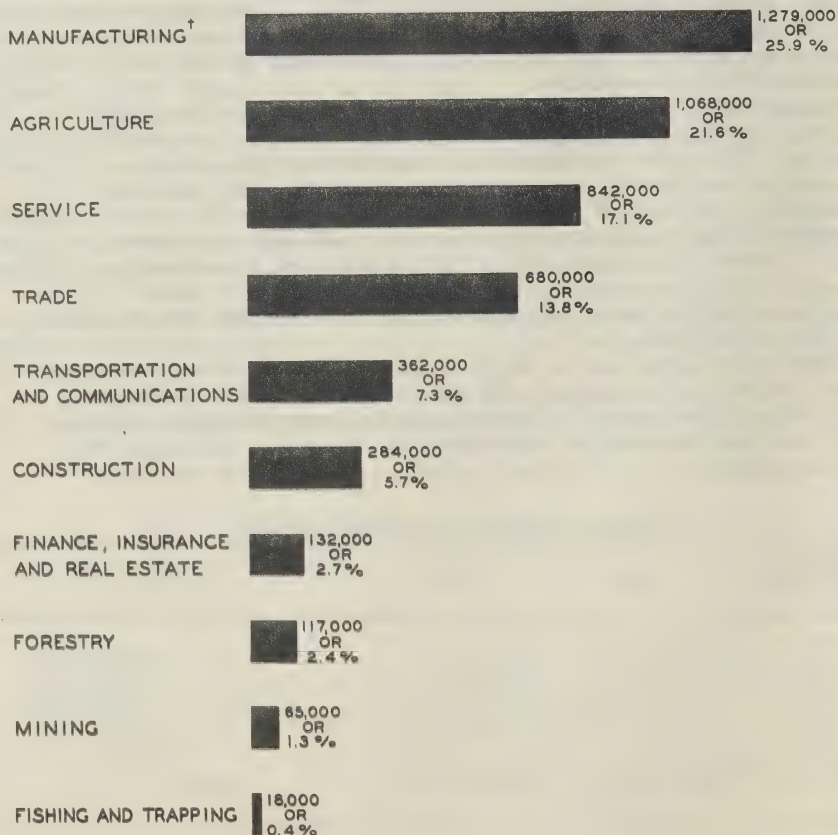
How, then, will the trend in construction influence the course of general employment and production in the coming year? The close connection between the level of general employment and the level of employment in construction is understandable in view of the inter-relationship between this industry and the whole economy. Industries supplying steel, lumber, paint, bricks, cement, glass, hardware, and furniture, prosper with construction activity and slump when it is at a standstill. The construction industry itself claims that for every dollar spent in construction, 82 cents finds its way into the pay envelopes of workers employed either directly on the job or indirectly in the factories manufacturing construction materials and in the related transportation companies.

The effect on general business trends in construction employment varies, however, according to the specific type of construction predominating. Expansion in industrial construction affects the general level of employment to a much greater extent than would a similar expansion in each of the other building fields. This is true since industrial construction provides greater off-site employment, especially in heavy industries, and also because once a new factory is completed it will in turn provide a number of jobs. It is industrial construction activity, therefore, which affects the business cycle to the greater extent.

Since businessmen see no sign of a recession in 1948, according to a recent survey, and since all aid will be given to industrial expansion through the control of capital goods, this industry, therefore, will continue as a major sustaining and steadying influence for business in general.

INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT NOV. 8, 1947

TOTAL LABOUR FORCE - 4,934,000
UNEMPLOYED - 87,000



INDUSTRIAL LABOUR MARKET SUMMARY

During January, the usual mid-winter slackness in industrial activity resulted in decreased employment in many industries, notably construction, trade and manufacturing. Only in one major industry, logging, was employment at its seasonal peak. The "third round" of wage negotiations was underway in both coal mining and transportation with no final agreement reached in either case. In several other industries as well, the larger unions announced their intention of seeking wage increases during 1948.

MANUFACTURING.....

Estimated employment (Jan.).....1,255,000
Average weekly earnings..... \$38.50

During January, the labour market in the manufacturing industries was changing from one of labour shortage to labour surplus. This transition is mainly due to the seasonal influence on employment since the peak of unemployment always comes during winter. A few pockets of labour shortage still exist, however. Skilled labour is short for the clothing trades and factory workers for primary textile mills, but the general tendency is towards an excess of labour supply over demand.

In the field of unskilled labour, applicants for employment in the manufacturing industries outnumbered job vacancies by a four to one ratio. In addition, there were some 24,000 other unskilled workers seeking employment who had not expressed a preference for any particular industry.

The accompanying table on the "Economic Situation in the Manufacturing Industries, January, 1948" reflects this changing labour situation as well as the movements of other principal economic factors. Since this chart was published in the November Issue of the Canadian Labour Market, the greatest change among the five economic factors listed has occurred in the column titled "Labour Supply."

In the previous chart, which referred to the month of November, the employment situation in several industries had been classified as suffering from "labour shortage". In January the situation had improved to the extent that they were classified as having an adequate supply of labour. Among these are the following industries: tobacco, leather tanneries, pulp and paper, furniture and household appliances, machinery, non-ferrous metals and railroad equipment.

In the field of industrial relations, the demands for wage increases were becoming more widespread. Several large unions in the

Summary of Economic Situation in Manufacturing Industries
Month of January, 1948

Industry	Markets	Plant Facilities	Labour Supply	Supply of Materials	Prices
<u>Consumer Non-Durables -</u>					
Food:					
Bakery Products.....	Balanced	Adequate	Adequate	Adequate	Stable
Fruits & Vegetables.....	Strong	Adequate	Adequate	Short	Rising
Dairy Products.....	Strong	Adequate	Adequate	Adequate	Rising
Meat Products.....	Balanced	Adequate	Adequate	Short	Rising
Fish Products.....	Balanced	Adequate	Adequate	Adequate	Rising
Beverages.....	Balanced	Adequate	Adequate	Adequate	Stable
Clothing.....	Balanced	Adequate	Short	Short	Rising
Boots & Shoes.....	Balanced	Adequate	Adequate	Short	Rising
Drugs.....	Balanced	Adequate	Adequate	Adequate	Stable
Printing & Publishing.....	Strong	Adequate	Short	Short	Rising
Tobacco.....	Balanced	Adequate	Adequate	Adequate	Stable
<u>Industries Ancillary to Consumer Non-Durables -</u>					
Flour & Feed Mills.....	Strong	Adequate	Adequate	Short	Rising
Primary Textiles.....	Strong	Adequate	Short	Short	Rising
Pulp & Paper.....	Strong	Adequate	Adequate	Adequate	Rising
Containers.....	Strong	Short	Adequate	Short	Rising
Leather Tanneries.....	Balanced	Adequate	Adequate	Short	Rising
<u>Consumer Durables -</u>					
Furniture.....	Balanced	Adequate	Adequate	Adequate	Stable
Household Appliances.....	Strong	Short	Adequate	Short	Stable
Automobile & Parts.....	Strong	Short	Adequate	Short	Rising
<u>Producer Goods -</u>					
Machinery.....	Strong	Adequate	Adequate	Short	Rising
Primary Iron & Steel.....	Strong	Short	Adequate	Short	Rising
Agricultural Implements....	Strong	Short	Adequate	Short	Rising
Chemical Products.....	Strong	Adequate	Adequate	Adequate	Rising
Non-Ferrous Metals.....	Strong	Adequate	Adequate	Adequate	Rising
Construction Materials.....	Strong	Adequate	Adequate	Short	Rising
Petroleum Products.....	Strong	Short	Adequate	Short	Rising
Rubber Tires & Tubes.....	Balanced	Surplus	Adequate	Adequate	Stable
Sawmills.....	Strong	Adequate	Adequate	Adequate	Rising
Aircraft & Parts.....	Weak	Surplus	Surplus	Adequate	Stable
Shipbuilding & Repair.....	Balanced	Adequate	Adequate	Short	Stable
Railroad Equipment.....	Strong	Adequate	Adequate	Short	Rising

Note: For glossary of terms see Canadian Labour Market, November, 1947.

manufacturing industries have announced their intention of driving for a "third round" of wage increases during 1948. The United Steel Workers have set their goal at a \$45.00 weekly minimum; the United Electrical Workers are planning to negotiate for a 30 cents an hour increase, the United Automobile Workers for 25 cents, and the United Rubber Workers for 22 cents an hour increase, while the Boot and Shoe Workers want a straight \$6.00 per week more.

Thus it looks probable that 1948 will see a continuation of the upward trend of wages in the manufacturing industries. Per capita weekly earnings at November 1 were \$38.47, which represents an increase of over \$10.000 since the same date in 1941 and an increase of \$5.00 per week since November 1947. In terms of hourly earnings, the November 1 figure was 85 cents, as compared with 73 cents received one year previously.

SERVICES.....

Estimated employment (Jan.).....825,000

While the services industry is composed mainly of three large divisions, namely personal service, government and professional workers, the most active labour market is found in the first group. During the post-war period, the worst labour shortage in the Canadian economy was centred in personal service establishments, which employ a large proportion of female labour at relatively low rates of pay. During the past few months, however, the labour market situation here has eased considerably. Hotels, laundries and many restaurants have been able to build up their staffs with permanent employees and cut down on labour turnover. The nationwide shortage of domestic help is still severe, however.

During 1947, employment in this industry remained relatively stable, although in the previous year the labour force had increased by nearly 100,000. The following are quarterly data on services employment during 1947 as estimated by the Dominion Bureau of Statistics: March 1, 823,000; May 31, 823,000; August 16, 820,000; November 8, 842,000. The proportion of women in the industry is estimated at just over 40 per cent.

While average weekly earnings in personal service are still the lowest of all industries, the rate of increase in earnings has been more rapid than in most other industry groups. Data released by the Dominion Bureau of Statistics, which refer to a group of some 65,000 personal service workers, show that at November 1, 1947, average weekly earnings in this industry were slightly over \$24.00. This represents an increase of nearly 45 per cent since November 1941, at which date the comparable figure was \$17.00. For the same period, the relative increase in manufacturing has been 37 per cent; in trade 40 per cent; in transportation, 29 per cent and in construction 52 per cent.

TRADE.....

Estimated employment (Jan.).....660,000
Average weekly earnings..... \$30.00

The labour market in the trading industries was relatively inactive in the slack January period following the Christmas rush. Almost all the extra workers hired for Christmas were laid off immediately afterward. A few were retained for inventory and special sales and some of the more promising workers were put on the permanent staff. Job opportunities were consequently, few in number.

Expansion in retail trade employment during the first half of 1948 is expected to be very moderate. Forecasts of employment received by Department of Labour from leading department stores indicate that these firms expect to retain staffs approximately equal in size to those of 1947 in the period ending July 1, 1948. Some stores expect to add a few workers at Easter, which falls on March 28 this year, and this will be followed by the normal spring upswing.

These estimates of employment were based on the expected trend of sales. During 1947, department store sales were 15 per cent above 1946 in dollar value but only slightly higher in unit volume when allowance is made for the price factor. For next year, a large Montreal department store reports:

"We expect that in 1948 the dollar volume of sales may reach 10 per cent above 1947 but that the unit volume will range between plus or minus 3 per cent of 1947 levels. We feel that the purchasing power of the community is still sound, even at to-days' very high price level."

It is reported that the Retail, Wholesale and Department Store Union (C.C.L. - C.I.O.) has started an intensive drive to organize the T. Eaton Co., beginning in Toronto. Retail trade is among the few large unorganized industries in Canada and the organization of this field follows a similar trend in the United States. The union concerned reported 29 locals in Canada with a membership of 6,000 during 1946. In the United States, the same union claimed 450 locals and a membership of 180,000.

TRANSPORTATION

Estimated employment (Jan.).....362,000
Average weekly earnings..... \$45.00

A nationwide railway strike in the spring of 1948 loomed as a possibility following unsuccessful wage negotiations carried on during January. The strike would involve upwards of 130,000 workers in 15 railway brotherhoods who demanded a 35 cent an hour increase retroactive to December 20. The failure of negotiations was due to the fact that the

issue hinged on the government decision on the railways' request for a 30 per cent increase in freight rates, which has not yet been made. A conciliation board was established to deal with the dispute by the Federal Department of Labour during January.

The point of view of the C.P.R. in this connection was recently expressed by W.M. Neal, Chairman and President, as follows:

".....the Canadian Pacific Railway was faced with and is still facing, steadily increasing costs in materials and wages..... Demands for pay increases alone, which are excessive, if acceded to, would add over \$60,000,000 to the annual expense bill of the Canadian Pacific Railway. It is an added expenditure which the company cannot possibly meet under present revenue conditions. The full 30 per cent increase in freight rates which the Board of Transport Commissioners is considering would not come near meeting it."

Weekly earnings in the railway industry are, on the average, higher than in any other industry. In part this is due to the high proportion of male labour, over 90 per cent, and to the high degree of unionization in the industry (In 1946, 135,000 steam railway and 57,000 other transportation workers were union members.) At November 1, 1947 per capita weekly earnings in transportation industry as a whole were \$45.00. A further breakdown shows that at the same date, railway workers made \$50.00 on the average per week, water transportation along with local transportation and cartage workers made \$40.00.

LOGGING.....

Estimated employment (Jan.).....180,000
Average weekly earnings..... \$37.00(1)

Based on a continuing high world demand for lumber and pulp and paper products, employment in the Canadian logging industry continues to climb to record heights. At the peak of seasonal activity during January, it is estimated that over 180,000 men were at work in the bush, not including the thousands of farmers who cut on their own account.

The logging labour force during the 1947-8 season has ranged from about 15% to 20% above that of the previous year and the indications are that this trend will continue during the first half of 1948. The quarterly forecasts of employment issued by the Employment Forecast Survey Unit of the Department of Labour estimate that employment in Eastern Canada pulpwood logging at April 1, 1948 will be 15% over the same date last year. At July 1, the percentage increase over the same date in 1947 is placed at 10%. For B.C. logging, the comparable increases are estimated at 13% and 7%.

Reports received from the major operators during January stated that cutting was fairly well completed and hauling and loading were getting

(1) No allowance is made in this figure for the value of board and lodging which is frequently provided the bushworker.

under way. These latter two stages of woods operations will occupy most of the next two months, before the river drive begins. The number of men required for these operations will not be as large as for cutting and, correspondingly the number of men, especially farmers, willing to stay in the bush, will also drop. Last season the men started leaving the pulpwood camps early in February and by April 1, employment in pulpwood logging had dropped 50 per cent below the peak.

The effect of the restrictions regarding the export of pulpwood logs from Ontario crown lands will not be felt immediately, but will be spread over the next few years. These restrictions seem to affect companies in the Lakehead area primarily, many of which are owned by American interests. This factor, as well the restrictions on newsprint import by England and Australia, will not seriously affect the favourable demand-supply situation. In regard to demand, the executive of one large logging firm reports.

"American demand remains so high we can't satisfy it, and we are not in the least affected by area import restrictions. There are no signs of a decreasing market in 1948".

From B.C., where logging is generally carried on all year round, with a seasonal drop in employment during winter, it is reported that snow conditions have been hindering logging activity in some areas, and this has resulted in a temporary surplus of labour.

MINING.....

Estimated employment (Jan.).....70,000
Average weekly earnings.....\$45.00

During January, the major interest in the mining industry centred around wage negotiations being carried on in coal mining. In both the Maritime and the Western coal mines, operators and the Union, the United Mine Workers of America (C.G.L.), were at a deadlock, with the Alberta and B.C. miners out on strike from January 13.

In the West, negotiations in Calgary broke down over the U.M.W. request for a \$3.00 per day increase for both inside and outside workers and a basic \$14.00 per day wage for miners.

In the Maritimes, the union presented a 14 point program to be included in the new contract, of which the chief demand was for a \$1.10 per day wage increase. Failure to reach a successful agreement led to the extension of the expiry date of the contract from January 31 to February 25.

Demands for wage increases are also expected in the metal mining industry during 1948. In a three-day convention during January, the United Mine, Mill and Smelter Workers announced their intention of

seeking an hourly increase of 35 cents for their 40,000 members in Ontario and B.C. metal mines and processing plants.

Later in the month, a cost-of-living bonus was granted over 10,000 gold miners in 21 mines in the Kirkland Lake and Timmins area in Ontario. This increase, which is tied to the cost-of-living index, will amount to 6.72 cents per hour at present. It is expected that the U.M.M.S.W. will continue to press for a wage increase in spite of this bonus.

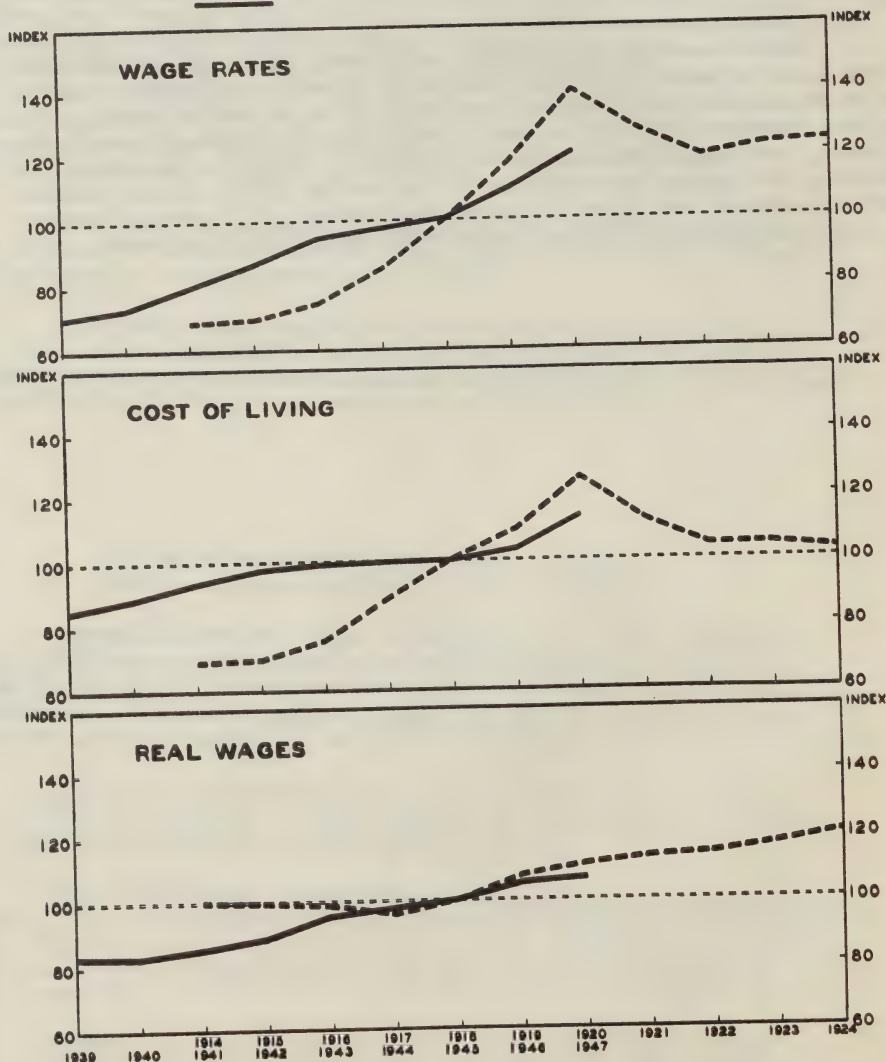
These various wage demands will result in a substantial rise in the level of earnings in this industry, already the highest of any for which comparable statistics are available on an hourly basis, (railway workers earn more on weekly basis but no figures are available on hourly earnings in railway transportation). Prior to these negotiations, coal miners were earning on the average \$1.10 an hour; metal miners, \$1.03 and employees of non-metallic mines, 82.1 cents. Workers in plants preparing non-ferrous metal ores earned \$1.02 per hour.

TRENDS OF WAGES AND PRICES

WAR AND POST-WAR COMPARISONS

WORLD WAR II AND POST-WAR
BASE: 1945=100

WORLD WAR I AND POST-WAR
BASE: 1918=100



WAGE TRENDS DURING 1947

The estimated index of wage rates for 1947 indicates a 10 per cent general average increase over rates computed at the same time last year. The highest wage return for 1947 was registered in the logging industry, which also showed the greatest increase since the previous year. Wage returns for manufacturing ranked second highest, followed by mining, construction and transportation and communication in decreasing order.

The general index of wage rates in 1947 has been estimated to be 171, indicating an increase of about 10 per cent over the 155.2 calculated as at October, 1946, on the base of average wage rates in 1939 as 100.

The index of the cost of living over this same period increased 12.2 per cent to 141.1 at October 1, 1947, after adjustment of the index to the base of August 1939 as 100. A further increase of 4.3 per cent was recorded before the end of the year.

Results of the annual survey of wage rates in Canada for 1947 are now being compiled. For most industries, the work is not sufficiently advanced to enable any computation of the general index to be made on the basis of the information obtained in this way. The above estimate of the change since 1946 has been made, however, from other information, mainly from press clippings, from reports of increases made by numerous large employers, and from monthly bulletins of the Dominion Bureau of Statistics on hours and earnings.

The following table shows index numbers of wage rates in the main industrial groups for 1946 with estimates of the indices for corresponding groups in 1947:

Table I—Index of Wage Rates for Industrial Groups, 1946 and 1947

(Base: Average rates in 1939 = 100)

Industry	1946	1947 (Estimated)
Logging.....	167.4	194
Mining.....	140.6	162
Manufacturing.....	161.5	181
Construction.....	143.9	153
Transportation & Communication.....	143.5	148
GENERAL AVERAGE.....	155.2	171

Logging:-

Sufficient returns have been received for the calculation of a preliminary index number for the logging industry from the 1947 survey data. The average increase in wage rates in Eastern Canada has been about 75 cents

per day. In British Columbia coastal logging, a general increase of about \$1.00 per day for time workers is apparent; the average daily earnings of the most important class of labour, "Fallers and Buckers," who are on a piece work basis, have risen by about \$3.00 per day since the 1946 survey.

Mining:-

The dominating influence on coal mining wage rates during 1947 was the \$1.40 per day increase over the 1946 level obtained by some 12,000 miners in Nova Scotia. In the metal mining group, increases of 13½ cents per hour at the International Nickel Company of Canada, Limited, 10 cents at Noranda Mines Limited, 12½ cents at Consolidated Mining & Smelting Company of Canada, Limited, at Trail and Kimberley, B.C., and \$1.00 per day in the gold mines of British Columbia were outstanding.

Manufacturing:-

General increases were apparent in several of the important industries in the manufacturing group. There was an advance of 14 cents per hour throughout the pulp and paper industry, 10 cents in meat packing, about 9 cents in rubber products, and 12½ cents in the lumber industry of British Columbia. Other important but less uniform increases were in: the textile industry, 5 to 22 cents per hour; electrical products, 7 to 10 cents; an estimated 7 to 8 cents in the iron and steel products group; and 5 cents in breweries. With due allowance being made for the relative importance of the above groups, and taking into account increases in other component industries as well, the index number for manufacturing in 1947 was estimated to be 181, or about 12 per cent higher than that for 1946.

The percentage increase in manufacturing between 1945 and 1946 was about 10 per cent.

Construction:-

The 1947 preliminary index number for this industry was based on calculations from the survey results rather than information from press clippings. Across the board increases are not common in the construction industry. Each trade in each city tends to be a unit as far as wage changes are concerned. In Toronto, for instance, the rate for bricklayers increased from \$1.35 per hour in 1946 to \$1.60 in 1947; in Vancouver and Victoria there was no change in the bricklayer's rate, but that for plasterers rose from \$1.23 to \$1.50 per hour. Most increases were smaller than these, however, and had a compensating effect, with the result that the preliminary construction index rose only about 6 per cent. Eight trades, including labourers, are used in the calculations.

Transportation and Communication:-

The estimated index for this group showed very little increase in 1947 over 1946—about 3 per cent—no wage increase having been recorded in steam railways which has the greatest weight in this group. Considerable increases were received by employees of electric street railways in several cities. A 15 cent an hour advance in the British Columbia Electric Railway Co., Ltd., was outstanding; Montreal with an 8-cent increase, and Toronto and Hamilton with 10 and 13 cents an hour, respectively, also exerted an upward influence upon this index.

RECENT WAGE CHANGES

The wage change announcements which appear in the following pages were made during the month of January. They affect a total of almost 22,000 workers, almost 12,000 less than the number recorded in the December table in the Canadian Labour Market. The increases granted were for varying amounts, ranging from 2½¢ to 17¢ per hour; the greatest number of these averaged between 8¢ and 10¢ per hour.

This third in the series of reports on recent wage changes which have been published from month to month in the Canadian Labour Market illustrates further the close relation between rising living costs and increased wages. Many firms have directly designated recent increases as cost-of-living bonuses. Most notable of these was the increase granted to nearly 10,000 gold miners in twenty-one northern Ontario mines.

The wage changes recorded for the month of January were, for the most part, not the result of nation-wide union movements - rather, they were the result of renewed agreements between unions and individual companies. Few were directly due to strike action; the increase obtained by bakers in four Winnipeg firms was almost the only exception.

However, there are indications that when their present agreements expire, there will be concerted nation-wide drives on the part of highly organized unions such as the United Steel Workers of America, the United Automobile Workers, the United Electrical Workers and the United Rubber Workers for wage increases corresponding to the present high cost of living.

Representative wage changes for the month of January are listed in the following table according to the industry in which the specific firm is located. The announcements were obtained from press clippings, trade journals, union newspapers and magazines, narrative reports from the managers of local National Employment Service offices, narrative reports from the field interviewers of the Employment Forecast Survey carried out by this Branch, and any other available sources.

It should be understood that the wage changes which are reported in the following listing do not represent all the changes that have occurred. There is no disciplined means of establishing such a complete record. The listing, however, does contain most of the major wage announcements, and indicates the pattern that is being followed in most industries. All of the items in this listing are confined to wage earning employees.

Wage Increase Announcements, January, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hourly earnings 101.0)			
<u>Gold Mining:</u> (Av. hourly earnings 103.0)			
Lake Shore Mine, Kirkland Lake, Ont.	6.72¢ per hr.	Jan. 1/48	650
Wright-Hargreaves Mine, " "	" "	" "	475
Kerr-Addison Mine, " "	" "	" "	415
Sylvanite Mine, " "	" "	" "	340
Kirkland Lake Gold Mine, " "	" "	" "	250
Toburn Mine, " "	" "	" "	150
Bidgood Mine, " "	" "	" "	115
Chesterville Mine, " "	" "	" "	225
Macassa Mine, " "	" "	" "	220
Hollinger Mine, Timmins, Ont.	" "	" "	2,400
Dome Mine, " "	" "	" "	800
McIntyre Mine, " "	" "	" "	1,275
Aunor Mine, " "	" "	" "	350
Pamour Mine, " "	" "	" "	275
Hallnor Mine, " "	" "	" "	175
Delnite Mine, " "	" "	" "	170
Coniaurum Mine, " "	" "	" "	225
Brulan Mine, " "	" "	" "	127
Paymaster Mine, " "	" "	" "	275
Buffalo Ankerite, " "	" "	" "	450
Preston East Dome, " "	" "	" "	425
<u>Coal Mining:</u> (Av. hourly earnings 110.3)			
Inverness Coal Mines (#1 & #5) Inverness, N.S.	40¢ per day	Jan. 14/48	125
Margaree Steamship Mine, Sydney, N.S.	40¢ per day	Jan. 14/48	50
<u>MANUFACTURING</u> (Av. hourly earnings 84.7)			
<u>Silk & Artificial Silk Goods:</u> (Av. hourly earnings 66.2)			
Courtaulds (Canada) Ltd., Cornwall, Ont.	\$3 per wk.	Feb. 1/48	2,000
<u>Hosiery & Knit Goods:</u> (Av. hourly earnings 60.8)			
Fergusson Atlantic Underwear, Ltd., Moncton, N.B.	5¢ per hr.	Nov. 1/47	300
	7½¢ per hr.	Jan. 1/48	
Holeproof Hosiery of Canada, London, Ont.	5¢ per hr.	Jan. 1/48	300
Supersilk Hosiery Mills, London, Ont.	5¢ per hr.	Jan. 1/48	275
<u>Bread & Bakery Products:</u> (Av. hourly earnings 64.9)			
Canada Bread Co., Winnipeg, Man.	2½¢ per hr.	Sept. 1/48	250
Weston's Bread & Cake Co., " "	\$1.50 per wk.	Jan. 1/48	220
Picardy Stores, Ltd., " "	" "	" "	60
General Bakeries, Ltd., " "	" "	" "	120

Wage Increase Announcements (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
MANUFACTURING (Cont'd)			
<u>Meat Products:</u> (Av. hourly earnings 90.0) Leonard Bros. Div., National Sea Products Ltd., Halifax, N.S.	8¢ per hr.	Oct. 19/47	175
<u>Pulp and Paper:</u> (Av. hourly earnings 99.3) Price Bros. Ltd. (Rimouski, Price and Matane Mills, Que.)	\$1.20 per day	May 1/48	1,000
<u>Iron & Steel Fabrication:</u> (Av. hourly earnings 92.3) Dominion Bridge Co. Ltd., Montreal, Que.	12-14¢ per hr.	Jan. 1/48	1,000
<u>Sheet Metal Work:</u> (Av. hourly earnings 86.0) General Steel Wares, Ltd., Montreal, Que.	12-14¢ per hr.	Jan. 1/48	1,000
<u>Crude, Rolled & Forged Products:</u> (Av. hourly earnings 99.4) Atlas Steels Ltd., Welland, Ont.	4-6¢ per hr.	Jan. 1/48	2,000
<u>Agricultural Implements:</u> (Av. hourly earnings 97.7) Can. Co-op. Implements Co., Winnipeg, Man.	5-10¢ per hr.	Aug. 1/47	150
<u>Hardware, Tools & Cutlery:</u> (Av. hourly earnings 83.5) Crane Ltd., Montreal, Que. Corbin Lock Co., Belleville, Ont.	12-14¢ per hr. 5¢ per hr.	Jan. 1/48 Jan. 1/48	1,000 225
<u>Machinery other than Vehicles:</u> (Av. hourly earnings 89.1) Remington Rand Ltd., Hamilton, Ont.	12¢ per hr.	Jan. 1/48	375
<u>Other Iron & Steel Products:</u> (Av. hourly earnings 96.5) Babcock-Wilcox & Goldie-McCulloch Co. Ltd., Galt, Ont.	6¢ per hr.	Jan. 10/48	500
<u>Lime, Gypsum & Cement Products:</u> (Av. hourly earnings 83.6) Gypsum, Lime and Alabastine, Canada Ltd: Montreal, Que. Beachville, Ont. Caledonia, Ont. Vancouver, B.C. Winnipeg, Man.	12 ¹ / ₂ ¢ per hr. " " " " "	Jan. 1/48 " " " " "	125 115 400 165 135

Wage Increase Announcements (Concl'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING (Cont'd)</u>			
<u>Aeroplanes & Parts:</u>			
(Av. hourly earnings 92.3)			
Macdonald Bros. Aircraft, Ltd., Winnipeg, Man.	8¢ per hr.	Jan. 1/48	350
<u>TRANSPORTATION</u>			
<u>Street Railways:</u> (Av. hourly earnings 87.6)			
Sandwich, Windsor & Amherstburg Railway, Ont.	17¢ per hr.	Jan. 1/48	550
<u>ELECTRICITY:</u>			
National Light and Power Co., Moose Jaw, Sask.	13½¢ per hr.	Nov. 1/47	70

REGIONAL ANALYSIS.....

Regional Labour Market Summary

Employment Trends in Montreal

Labour Market Rating of Communities

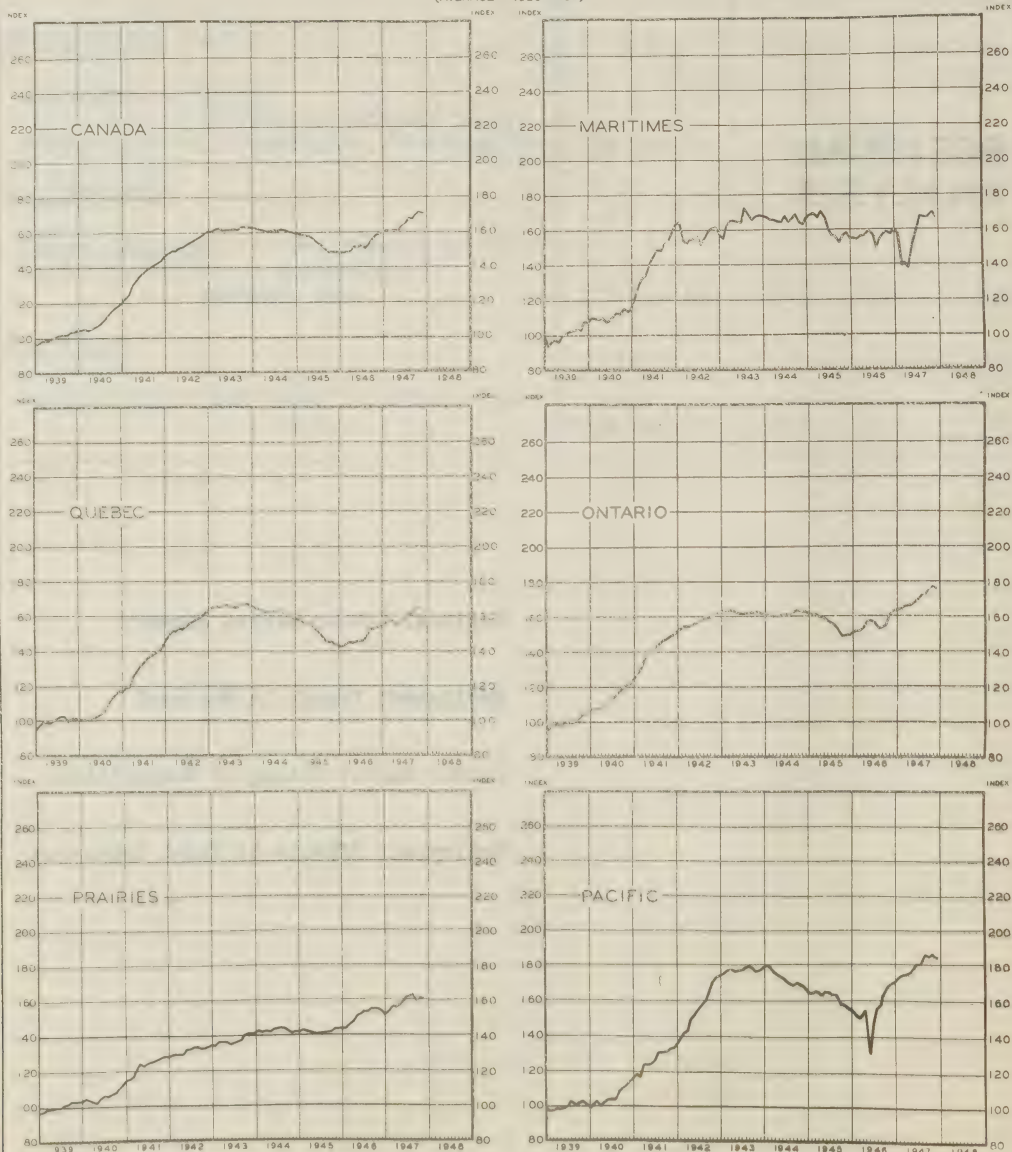
Employment Effects of Plant Expansion

REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO 1947

(AVERAGE - 1939 = 100)



REGIONAL LABOUR MARKET SUMMARY

This section presents a brief survey of the labour markets in the five regions during the month of January. Growing seasonal unemployment plus some "frictional" unemployment arising out of necessary adjustments to changing levels of demand, and to new import regulations have caused a continued rise in the number of unplaced applicants.

The Maritimes

Unemployment has increased during the month; the supply of people available for work is now considerably greater than the demand for labour. The two industries at the seasonal height of activity — logging and transportation — have a sufficient supply of workers. In both, the labour demand has been lower than in the past few years. Other industries are suffering the usual winter inactivity. Construction is almost at a halt, except for inside finishing work. Layoffs in manufacturing — at the Halifax Shipyard, because of non-arrival of steel supplies, at the Saint John Dry Dock Company because of lack of work, and in some clothing manufacturing plants because of difficulties in importing textiles — have added to unemployment.

The number of people applying for work at N.E.S. offices increased greatly, the average increase of 1,090 applicants per week being almost double the average weekly increase of 580 in December. Nevertheless, the total number of applicants on file at the end of the month is still below last year's total. The number of male applicants is about 4,200 below the number at the end of January, 1947. With an increase of about 1,000 in the number of women applying for work, the level of unplaced applicants is now 3,200 lower than last year. However, the average weekly increase in January was greater than it was a year ago, and unless this rate of increase markedly lessens, it is quite probable that the February level will be above the previous February level.

Quebec

January was marked by a continued increase in unemployment, most of which was seasonal. Woods operations, with an abundant supply of labour, are far advanced and the demand for workers is low. In fact, many companies have ceased hiring. The construction industry is dull, with little present need for labour. In general, manufacturing employment has been steady. However, in shoe manufacturing intermittent supplies of leather have caused layoffs. An electric power shortage is becoming increasingly serious in the area around Sherbrooke and may hinder production sufficiently to force a cut in staff of some manufacturing plants.

A comparison of January figures of unplaced applicants with last year's figures reveals a change in composition that points to changes in the industrial demand for labour. Women make up a greater proportion of the unplaced applicants than they did last year. At the beginning of the month

there were fewer applicants than a year ago, but at the end of the month there were more, in spite of the fact that male applicants at both dates were fewer than they had been at the comparable 1947 dates.

This increase in the number of women looking for work indicates a slowing down in the employment expansion in industries employing a high percentage of women. The textile industry, over the past year, has succeeded, in general, in building up its work staff to the desired level. And a new factor--the restrictions against the import of textile materials from the United States--has now caused many operators to delay plans for expansion indefinitely. The radio manufacturing industry has been reducing production and employment, now that the period of abnormal demand is almost over. A decline in the need for labour in retail trade, in the service industry for waitresses and domestic workers, and in many industries for clerical staff, has also become evident.

Ontario

The seasonal falling-off in employment, together with the gas and electric power shortages in the south-western areas of the region, have helped to increase the number of unplaced applicants at a remarkably fast rate during the month of January. The average weekly increase was almost six times the weekly increase in the month of December. A difference of over 11,000 between the 1947 and 1948 levels of unplaced applicants at the beginning of January was reduced to only slightly more than 4,000 by the end of the month.

Mining has sufficient labour, but the electric power shortage in some of the northern areas might mean temporary layoffs. There has been a decline in woods employment, where the season is far advanced. Hauling is now underway.

In most manufacturing industries there is little demand for unskilled help, although skilled, experienced workers are quickly hired. A "weeding out" of the work staffs continues in many industries; employers are replacing unsatisfactory employees with steadier, more efficient workers. Shortages of production materials in various industries throughout the region (food products, leather products, electrical apparatus, machinery building) have caused temporary layoffs. The aforementioned power shortages reduced manufacturing employment greatly. Windsor has been especially hard hit by the gas shortage. Over 20,000 workers were idle by the end of the month, and it is likely this condition will continue until gas pressure is restored by milder weather.

The Prairies

The January level of unplaced applicants is lower than last year, but there has been a large winter movement of unemployed to British Columbia. The demand for labour is low. In construction, outside work is largely at a standstill except for certain areas in Alberta where there has been unusually mild weather. Woods operations in the eastern part of the region are far advanced. Fully experienced cutters are still being hired, but, in general, only replacements are needed. Hauling is in full swing in many areas.

The farm help demand is small, but there are few men seeking such jobs. There has been little activity in meat packing and some lay-offs. The flow of cattle to the plants dropped because of snow blocked farm roads. Some flour mills are short of wheat and have gone on a 5-day week, but most are working steadily.

A strike of coal miners in Alberta, which began January 13 and is still unsettled, has increased the number of unemployed. Railroads have laid off workers in the coal-mining district and transferred rolling stock to other areas. Trade has slowed down in the immediate areas of the strike and many employers have cut down staffs.

The seasonal up-turn in employment can not be expected until April. Present levels of unemployment will probably show little change, therefore, for another two months.

British Columbia

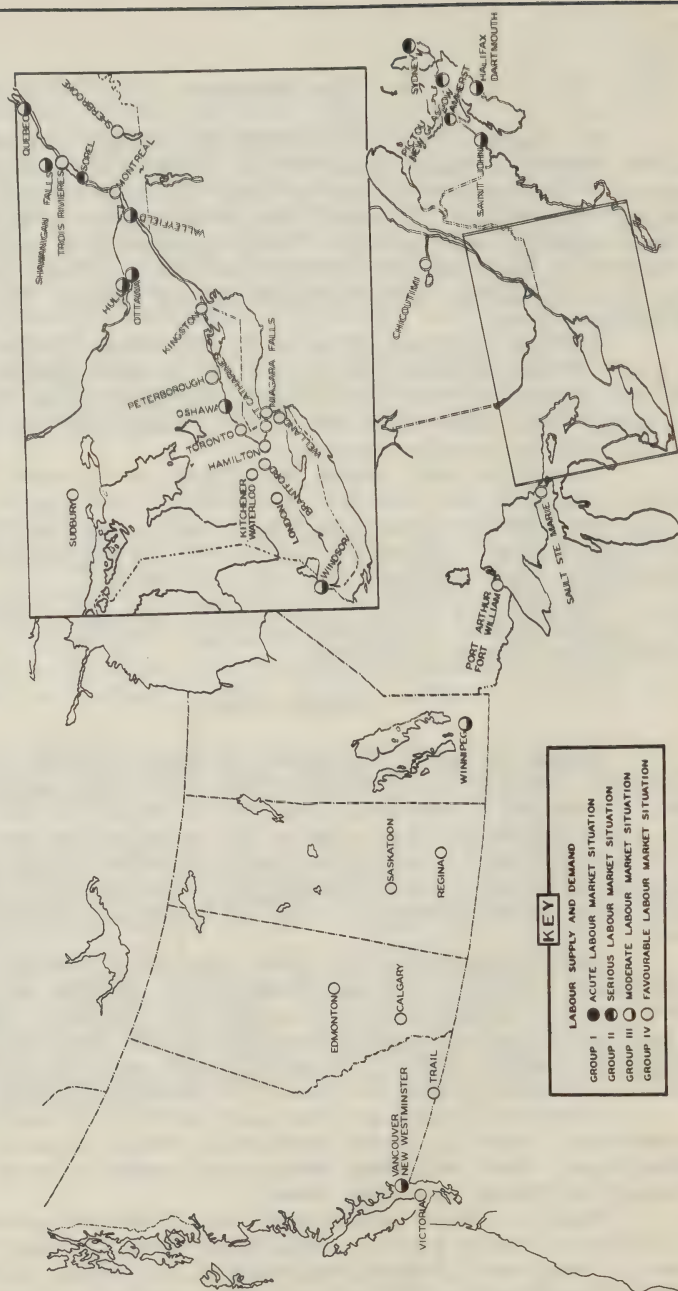
During the month the number of people looking for work continued to increase. Many of the unemployed came from other sections of the country and tended to settle in the three principal cities - Vancouver, Victoria and New Westminster - where job opportunities were slight. Welfare agencies were becoming seriously concerned about the number of unemployed young men, without lodging and without money. Until the seasonal rise in employment in about two months, little improvement can be expected.

Logging employment was lower than usual because of snowfalls and soft road conditions in many areas. Camp closures were responsible, in part, for the surplus of woods labour, but a greater number of men have been available for logging work than in the last few years. The few openings are for key skills. In sawmills and pulp and paper mill, labour turnover is negligible and the demand for workers is light.

In general, there are few opportunities for employment in manufacturing. There is little work being done in metal foundries or in machine shops. Steel shipyards have a good amount of work on hand but are having difficulty obtaining steel.

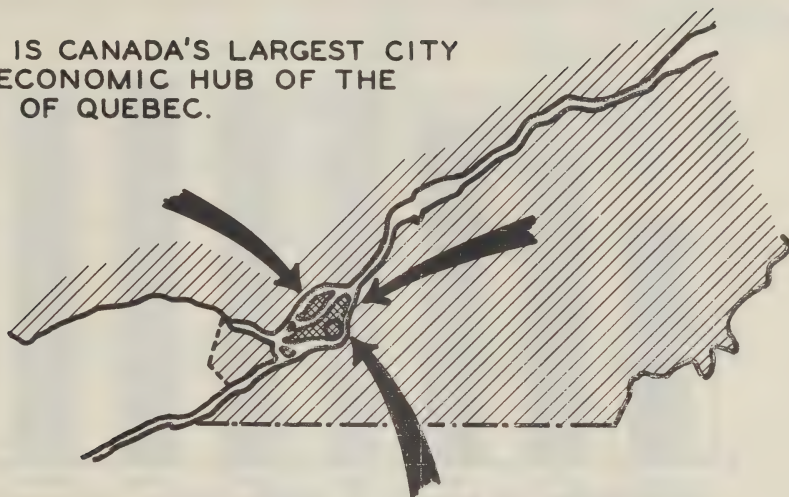
There is little construction work underway and unemployment in the industry is fairly general, especially among the unskilled labourers. However, a heavy work program, beginning in the spring on highway and industrial construction will reduce the extensive unemployment and may create a shortage of skilled labour.

A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS AS AT JANUARY 1, 1948

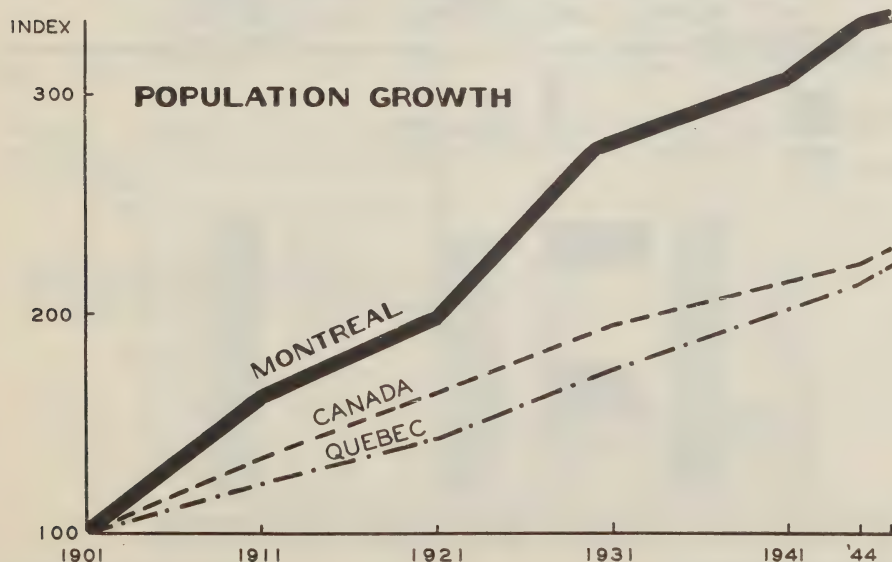


MONTREAL, P. Q.

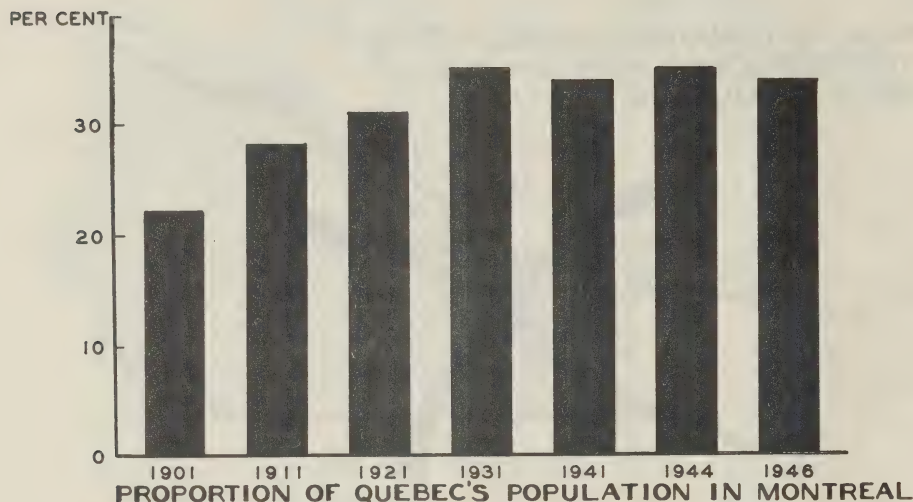
MONTREAL IS CANADA'S LARGEST CITY
AND THE ECONOMIC HUB OF THE
PROVINCE OF QUEBEC.



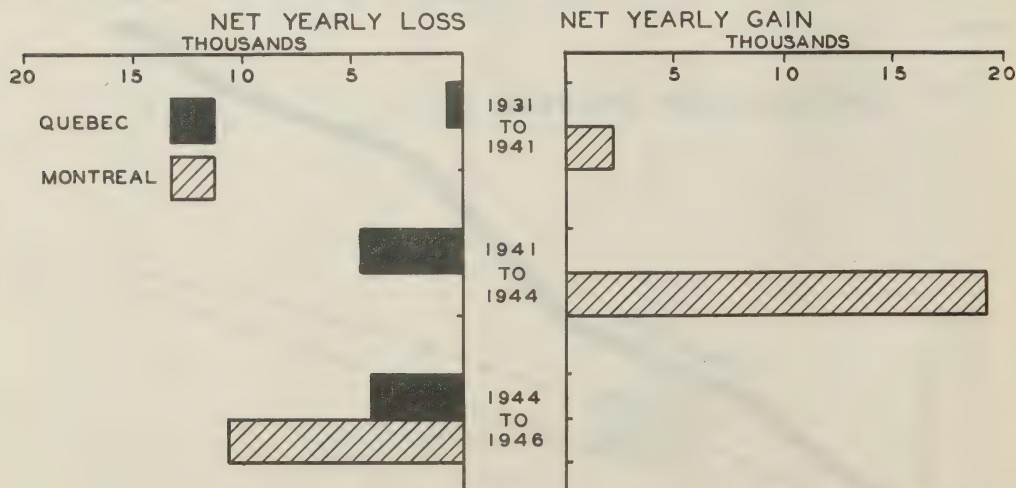
FROM THE BEGINNING OF THE CENTURY MONTREAL'S POPULATION HAS CLIMBED RAPIDLY - MORE RAPIDLY, RELATIVELY, THAN THE POPULATION OF EITHER CANADA OR QUEBEC.



THE RAPID GROWTH IN MONTREAL'S POPULATION IS A DIRECT REFLECTION OF THE URBAN MOVEMENT OF THE CANADIAN PEOPLE.



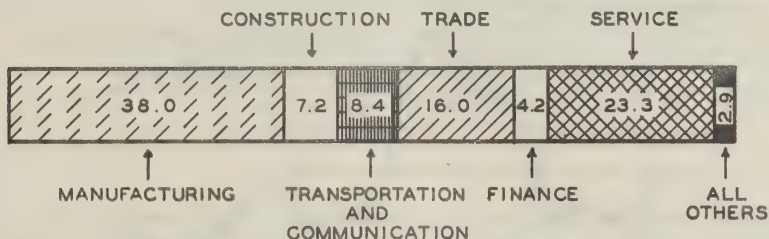
DURING THE WAR YEARS THERE WAS A GREAT ACCELERATION IN THE MOVEMENT TO MONTREAL, AND, ALTHOUGH THERE WAS A REVERSE MOVEMENT IN THE IMMEDIATE POST-WAR PERIOD, MONTREAL HAD GAINED MORE PEOPLE THAN IT LOST.



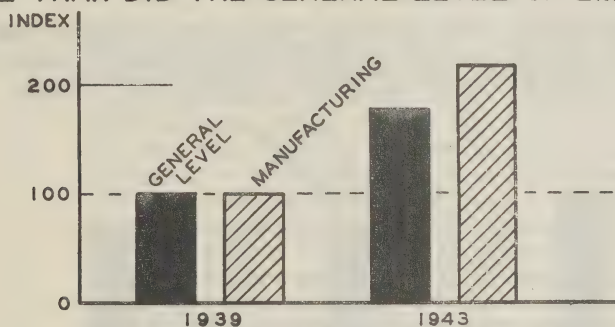
CHANGES IN POPULATION THROUGH MIGRATION

OVER ONE-THIRD OF THE PEOPLE IN MONTREAL ARE EMPLOYED IN MANUFACTURING AND THEY ARE PRIMARILY ENGAGED IN THE PRODUCTION OF TEXTILE AND IRON AND STEEL GOODS.

DISTRIBUTION OF GAINFULLY OCCUPIED IN MONTREAL - 1941 CENSUS

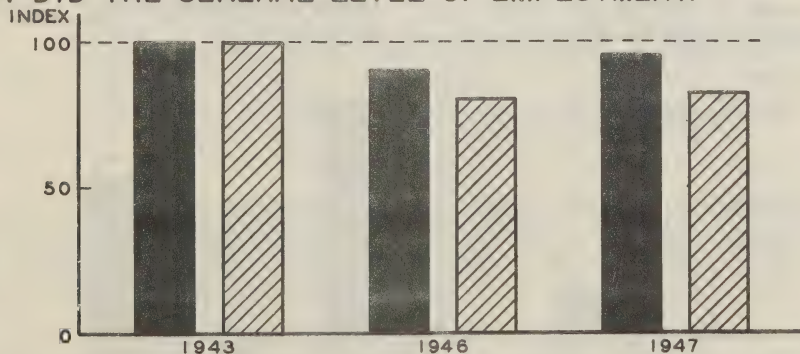


DURING THE WAR, EMPLOYMENT IN MANUFACTURING EXPANDED MORE THAN DID THE GENERAL LEVEL OF EMPLOYMENT.



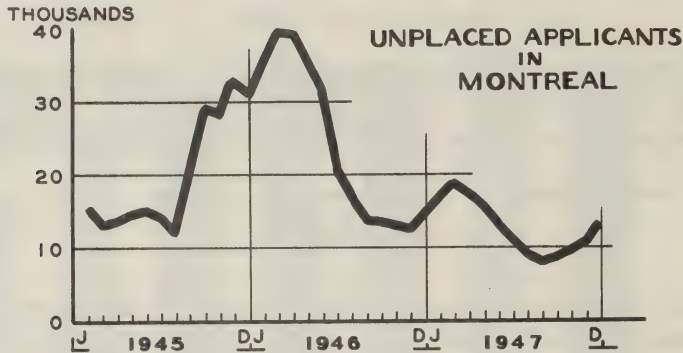
RELATIVE LEVELS OF EMPLOYMENT, 1939 AND 1943

- BUT IT ALSO FELL MUCH MORE, WITH THE END OF THE WAR, THAN DID THE GENERAL LEVEL OF EMPLOYMENT.

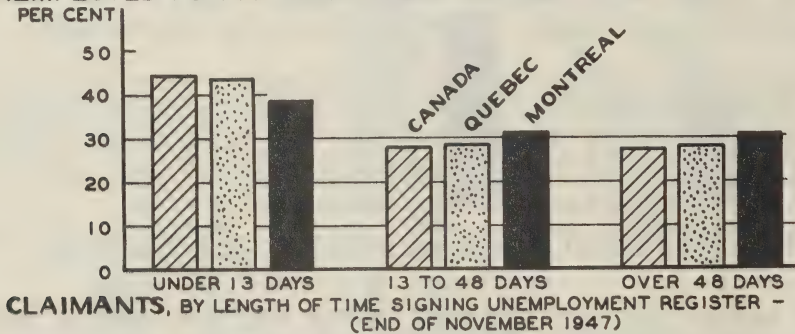


RELATIVE LEVELS OF EMPLOYMENT, 1943, 1946 AND 1947

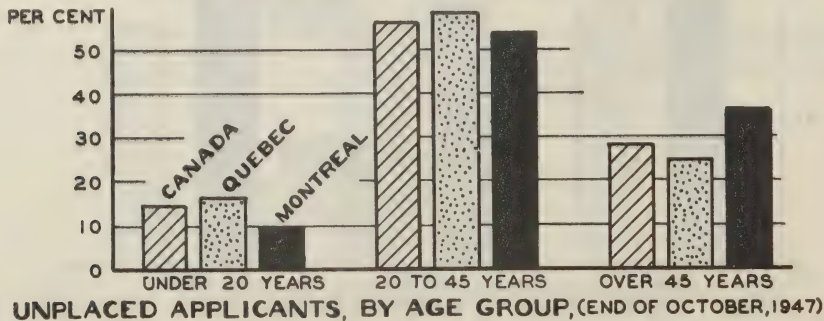
WITH THE WAR'S END UNEMPLOYMENT BEGAN TO MOUNT. BUT MIGRATION FROM THE AREA, AND EXPANSION IN CONSTRUCTION, TRADE, TRANSPORTATION AND THE MANUFACTURING OF CONSUMER NON-DURABLES SOON REDUCED THE NUMBER OF JOBLESS WORKERS. EMPLOYMENT PROSPECTS FOR 1948 CONTINUE BRIGHT.



MONTREAL, HOWEVER STILL HAS ONE OR TWO EMPLOYMENT PROBLEMS. WORKERS, CLAIMING UNEMPLOYMENT INSURANCE, REMAIN UNEMPLOYED FOR A RELATIVELY LONGER PERIOD OF TIME.



AND A HEAVIER THAN AVERAGE PROPORTION OF THE UNPLACED APPLICANTS ARE OVER 45 YEARS OLD.



LABOUR MARKET RATING OF COMMUNITIES

In the following table, 38 of the major labour market areas in Canada are classified according to the number of unplaced applicants registered with the National Employment Service in each. During the past month, there have been several changes in the group ratings of the 38 major labour market areas. Explanations of the most significant changes will be found in the following pages.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I — Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II — Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III — Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV — Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying labour market conditions as they are pictured by the local National Employment Service office. The ratings for October and November of 1947 are preliminary.

A detailed definition of the term "unplaced applicant" will be found on the following page.

Table I—Labour Market Rating of Communities

Note: The thirty-eight areas below are arranged in descending order within each group.

	Group Rating		
	January 1, 1948	December 1, 1947	January 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	II
Vancouver.....	III	III	III
Windsor.....	III	III	II
Winnipeg.....	III	IV	III
Ottawa.....	III	III	III
Hamilton.....	IV	IV	IV
Montreal.....	IV	IV	IV
Toronto.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney.....	II	II	II
Saint John.....	III	III	III
Halifax.....	III	III	III
Calgary.....	IV	IV	III
Regina.....	IV	IV	III
Fort William - Port Arthur.....	IV	IV	III
Edmonton.....	IV	IV	IV
London.....	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull.....	III	III	III
Oshawa.....	III	III	III
Three Rivers.....	IV	IV	III
Kingston.....	IV	IV	IV
Victoria.....	IV	IV	IV
Saskatoon.....	IV	IV	III
St. Catharines.....	IV	IV	IV
Brantford.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Kitchener-Waterloo.....	IV	IV	IV
<u>Population of under 25,000</u>			
Sorel.....	II	IV	III
Amherst.....	II	III	II
New Glasgow-Pictou.....	II	III	I
Valleyfield.....	III	III	III
Shawinigan Falls.....	III	III	III
Welland.....	IV	IV	III
Chicoutimi.....	IV	IV	III
Niagara Falls.....	IV	IV	IV
Trail.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits if their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period, the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

Explanation of Changes in Rating of Selected Areas

During the past twelve months, there have been several changes in the labour market rating for certain areas. The reasons for some of these changes are outlined below.

Chicoutimi

Employment conditions in the Chicoutimi area are almost solely dependent upon the activities of the Aluminum Company of Canada plant at Arvida.

At the beginning of the war, the population of Arvida was slightly over 4,000 and employment in Alcan was about 1,900. By July, 1943, employment in this company had reached 12,000, and the population of Arvida had tripled to about 12,300. Some of the workers at Alcan, of course, were commuting from outlying districts.

Extensive unemployment in Chicoutimi actually started shortly after July of 1943. It was the result of a decline in employment at

Alcan which had reduced the number of workers to 3,000 by the end of January, 1946. During 1946, employment fluctuated considerably but had only shown a slight increase by the end of the year. Activity in Alcan was hampered during the year by the effects of the earlier collapse of war work and the need to regain normal peacetime markets.

During 1947, a substantial increase of production and employment took place at Alcan. At the beginning of the year, about 4,600 workers were employed, while by the year's end, employment had climbed to about 6,400.

Peak unemployment in this area was reached during January, 1946, when there were about 3,000 unplaced applicants registered with the local employment office. This figure, of course, is not entirely the result of lay-offs at Alcan. It is also due to normal seasonal declines in the activities of other industries in the area. In early 1947, the peak in unplaced applicants was only 550, and by the closing months of the year, applicants had reached a low of 200.

The fact that unplaced applicants only numbered 3,000 at a time when the accumulative lay-offs of Alcan had reached 6,000 was primarily due to the migrant nature of the population of Arvida. Many of the war workers employed at Alcan soon left the area when their jobs were terminated. The population of Arvida, for instance, now is about 9,700. The decline in population, corresponded with the decline in employment. An additional factor alleviating the effect of employment declines at Alcan was the increase in activity in local logging and pulp and paper industries.

Quebec

During the past year, labour market conditions in Quebec City have shown a decided improvement. As a result, employment conditions were classed as Moderate at January 1, 1948, compared to the Serious rating which applied one year earlier.

The relatively high volume of unemployment in this City during the winter of 1946-47 was primarily due to the fact that activity in the construction and shipbuilding industries was being hampered by a shortage of materials, as well as to the continuing effects of the collapse of war employment at the St. Malo arsenal after V-J Day.

During the past year, an additional 4,500 workers have obtained employment in Quebec. The most outstanding employment increases have taken place in those industries which are most important to the area at the present time. The shipbuilding industry, for instance, more than doubled its employment during 1947. A sharp slump did occur in December, 1947, when 650 men were laid off from the St. Lawrence Metal and Marine Works, but these men now have been rehired along with an additional 75 workers. It is expected that this company will employ about 1,200 men by next April.

The construction industry in this area is in a much stronger position now than at the same time last year. The material supply situation is greatly improved, and thus the seasonal upswing in construction work, which will take place in the spring, will not be nearly so greatly hampered as during last spring.

In addition, the St. Malo arsenal has once again entered the employment field as the focal point of some 25 new diversified industries. A few of these new firms are already in operation, but most of them will not commence hirings until later in 1948.

The improving employment situation over the past year has been reflected in the trend of unplaced applicants registered at the local Employment Service office. At January 1st, 1947, unplaced applicants numbered 10,000. This year, they numbered 7,200. Over the year, the decline of unplaced applicants has been greatest for skilled and semi-skilled workers, and for clerical and "white collar" workers. Unskilled workers, although dwindling in number, now form the greater proportion of total unplaced applicants.

Oshawa

Despite the fact that labour market conditions in this community have been classified as Moderate during the past year, there has been a rather marked improvement in employment conditions. This occurred within the range of the Moderate classification.

There has been a considerable strengthening in the employment situation in this area in the past two years. At January 1, 1946, there were about 4,000 unplaced applicants. One year later, the figure was 2,700, and by January 1, 1948, unplaced applicants had further declined to 1,400.

At the beginning of 1946, when the number of unplaced applicants was at a peak, unskilled workers were particularly hard hit, representing about 65 per cent of all applicants. At the same time, about 400 factory tradesmen in jobs associated with the automobile industry were listed as applicants for work.

By January 1, 1947, employment conditions had improved considerably for unskilled workers, with the result that this group only amounted to about 50 per cent of all applicants. At the same time, jobless factory workers were more numerous, reflecting the effects of various labour disputes and material shortages.

By the beginning of 1948, about 50 per cent of all applicants continued to be unskilled workers but the workers who composed this group were considerably less employable. During the latter part of 1947, virtually all of the men adaptable to local industries were absorbed into jobs.

During the past year, non-agricultural employment in Oshawa has increased by about 1,400. This increase was particularly the result of the fact that, during the mid-winter of 1946-47, the effects of the strike in General Motors (U.S.A) and of the Canadian coal strike were still in evidence. Employment in the automobile industry in Oshawa did not become stabilized until later on in 1947. Even after that, periodical material shortages caused sporadic lay-offs from time to time.

The outlook for employment in this area throughout 1948 remains favourable. To date, the Dollar Saving program has not materially affected any of the industries of the area. General Motors of Canada, Limited, the largest firm in Oshawa, produces automobiles whose Canadian content is relatively high. This company, therefore, is in a relatively sound position.

Saskatoon

At January 1, 1947, labour market conditions in Saskatoon were classified as Moderate. One year later, conditions were rated as Favourable.

A more ample supply of materials during 1947 permitted a major gain in construction activity. The resulting increase in employment in the local construction industry primarily accounted for the improvement in labour market conditions. Smaller employment increases did, however, take place in wholesale trade establishments and firms engaged in secondary iron and steel manufacturing. Also important for local employment conditions was the fact that most other industries maintained work forces comparable with those in 1946.

The latest data on employment shows that there has been a gain of about 650 during the past year. Most of this gain was concentrated in the construction industry.

Employment conditions in Saskatoon are largely dependent upon the prosperity of the surrounding agricultural districts. Meat packing plants, for instance, are an important source of employment in the area. This year, the fall run of livestock lasted for only six weeks, as compared with runs of three months in previous years. Cattle receipts during 1947 were down by 20 per cent. Hog shipments were up only slightly over the preceding year but increased prices may cause a substantial increase in shipments during 1948.

A few small lay-offs in wholesale trade establishments have occurred in this area because of the import restrictions on vegetables and certain fruits. Most of the firms affected, however, state that the employees affected will be reinstated as soon as restrictions are eased. Railways report that 30 additional section gang labourers are now employed than in 1946, and that extra gang labour is being employed for a longer period.

The outlook during 1948 for construction work is favourable.

All and all, employment conditions in Saskatoon should remain good throughout 1948.

Note: Quebec includes: Montmorency, Levis, Valcartier.
Vancouver includes: North Vancouver, New Westminster.
Montreal includes: Lachine, Longueuil, Pointe-aux-Trembles,
St. Paul l'Ermite, Verdun, Ste. Anne de Bellevue.
Toronto includes: New Toronto, Toronto Junction, Weston.
Sydney includes: Glace Bay, Inverness, New Waterford, North
Sydney, Sydney Mines.
Calgary includes: Black Diamond.

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The following report gives some indication of the industrial expansion planned for 1948, both for new plants and for plant extensions. This information is listed by industry within each area and will be provided in similar table form from month to month in the Canadian Labour Market.

In 1947, a total of \$151 million was invested by manufacturing firms for new plant facilities. This was \$40 million more than was invested in 1946 and almost double the volume of capital investment in 1945.

With respect to the labour market, such capital investment represents an important addition to the number of jobs available. Such industrial expansion creates employment in two ways: one, by providing employment to construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where new industries are located.

In the past year, and likely for a few years to come, such industrial expansion has provided an additional incentive for the construction of homes in the areas where it has occurred. In fact, this has been one of the factors taken into consideration when determining the extent to which government aid, in various forms, will be provided to alleviate serious shortages of housing.

In addition, the extent of industrial expansion is an important consideration in the evaluation of employment prospects in the area.

For these reasons, therefore, a listing of all such capital expansion, whether it be a new plant or a plant extension, will be provided in this section of the Canadian Labour Market from month to month.

This information will be listed by industry within each area, and estimates will be given as to the probable date when the new plant, or plant extension, will come into operation as well as to the extent of the resultant demand for labour.

This information will be secured from many sources. A few of these sources are industrial publications, press clippings, narrative reports from National Employment Service offices, and reports from the field interviewers of the Employment Forecast Survey.

It is not the intention to provide a complete listing of all such capital expansion, nor is this table intended to suggest that the firms listed each month are representative of the decisions to build any plants or plant extensions in each particular month. Rather, the firms listed over several months may be considered as typical examples of the more important expansion programs being carried out in various manufacturing industries during the year.

From time to time, the information listed will be summarized and an attempt will be made to analyze the extent of industrial expansion and its effect on local labour markets, keeping in mind other factors such as local housing conditions and the local supply of labour.

Area	Industry and Name of Company	New Plant or Plant Extension (N.P. or P.E.)	Possible Number of New Employees	Probable Date of Construction Completion
Kitchener (Elmira)	Textiles John Crowther & Son (Canada)	N.P.	500	Last Qtr. 1948
London	Containers Industry Hygrade Corrugated Products	P.E.	75	Second Qtr. 1948
	Electrical Apparatus Kelvinator of Canada Ltd.	P.E.	200	Last Qtr. 1947
	Taylor Electric Mfg. Co.	N.P.	100	Last Qtr. 1948
	Essex Wire Corp. Ltd.	N.P.	300	Last Qtr. 1948
	Construction Materials Ryan Construction & Supply	N.P.	60	Second Qtr. 1948
	Non-Ferrous Metals Empire Brass Manufacturing Co.	P.E.	60	Second Qtr. 1948
Toronto	Electrical Apparatus Hart Manufacturing (Canada)	N.P.	75	Last Qtr. 1948
	Leather Products R. Hedley Shoe Co.	N.P.	60	First Qtr. 1948
	Secondary Iron & Steel Standard Sanitary and Dominion Radiator	P.E.	200	Second Qtr. 1948
	Massey-Harris Co. Ltd.	N.P.	200	Third Qtr. 1948
Welland	Rubber Products Joseph Stokes Rubber	P.E.	100	Last Qtr. 1948
Saskatoon	Textiles Paul Waldman Ltd.	N.P.	50	Last Qtr. 1948
Calgary	Alcoholic Beverages Alberta Distillers Ltd.	N.P.	150	Last Qtr. 1948
	Electrical Apparatus Canadian Westinghouse Co. Ltd.	N.P.	30	Third Qtr. 1948
Edmonton	Oil Refining Imperial Oil Co. Ltd.	N.P.	150	Last Qtr. 1948
	Secondary Iron and Steel Standard Iron Works	N.P.	150	Third Qtr. 1948

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	New Plant or Plant Extension (N.P. or P.E.)	Possible Number of New Employees	Probable Date of Construction Completion
Saint John	Containers Argo Paper Products	N.P.	50	Second Qtr. 1948
Montreal	Foodstuffs George Weston Biscuit Company Limited Cream of Wheat Corp.	P.E. N.P.	35 40	Last Qtr. 1947 1950
Shawinigan Falls	Chemicals Canadian Resins and Chemicals Ltd.	N.P.	50	First Qtr. 1948
Sorel	Textiles Canadian Celanese Ltd.	N.P.	500	First Qtr. 1948
Three Rivers	Construction materials Productive Companies Incorporées	N.P.	40	Third Qtr. 1948
Brantford	Electrical Apparatus Brantford Refrigerator Ltd. Secondary Iron & Steel Massey Harris Co. Ltd.	P.E. P.E.	100 200	First Qtr. 1948 Third Qtr. 1948
Fort William- Port Arthur	Pulp and Paper Great Lakes Paper Co. Long Lac Pulp & Paper Co.	N.P. N.P.	350 500	Last Qtr. 1948 Last Qtr. 1948
Hamilton	Paper Products Appleford Paper Products Primary Iron & Steel Steel Co. of Canada Secondary Iron & Steel International Harvester Co. Ltd.	N.P. N.P. P.E.	150 200 200	Last Qtr. 1948 Third Qtr. 1948 Third Qtr. 1948
Kingston	Bakery Products George Weston Biscuit Co.	N.P.	60	Second Qtr. 1948

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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CONFIDENTIAL
UNIVERSITY OF TORONTO
DEPT. OF POLITICAL ECONOMY
February 1948
BAROMETRICS FILE " Government
Publications
FEATURE ARTICLE

Seasonal Variations of
Employment in the
Meat Products Industry

Volume 4

Number 2

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THE CANADIAN LABOUR MARKET is a monthly publication prepared by the Manpower Analysis Division of the Research and Statistics Branch.

The purpose of the report is to provide labour market information on the nature and behaviour of the Canadian labour force and of particular industries, occupations, and areas. This information is the product of labour research involving the analysis of employment, unemployment, wages and hours of labour. The effect of institutional impacts upon the labour market, the nature of labour supply and demand, and the human characteristics and relationships which motivate individuals seeking a livelihood or providing opportunities for the employment of others, are also considered.

The material in this report is organized under three major headings, national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

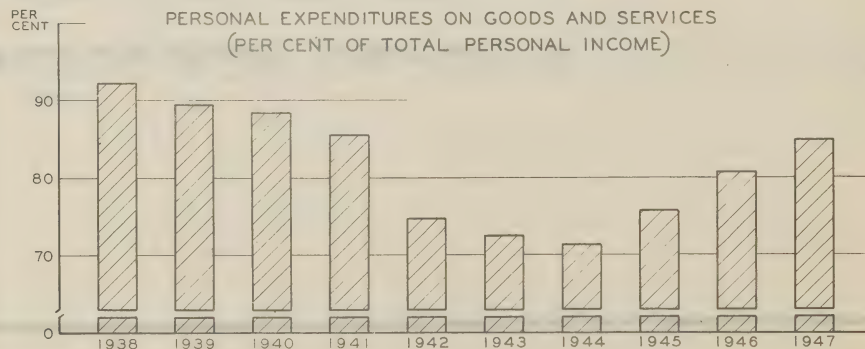
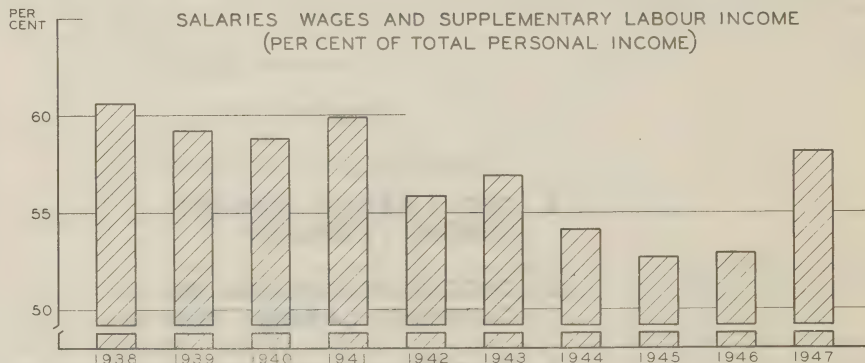
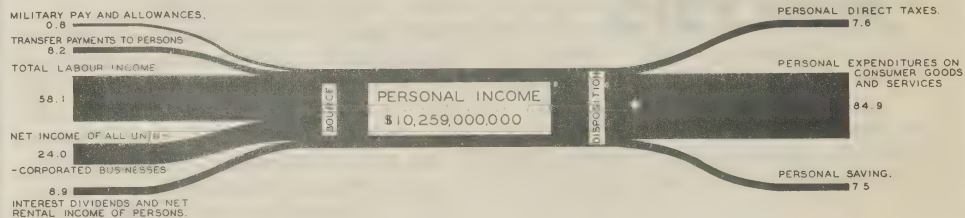
It must be stressed that the contents of this report are Confidential and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation. Accordingly, its contents should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING FEBRUARY
- ▲ DIGEST OF OPINION ON
CURRENT LABOUR TOPICS
- ▲ THE EMPLOYMENT OUTLOOK
- ▲ EMPLOYMENT SERVICE ACTIVITIES

PERSONAL INCOME DURING 1947.....



THE LABOUR MARKET DURING FEBRUARY

The peak of seasonal unemployment in Canada was reached during February. The month of March should see a marked reduction in the number of jobless workers since many of the temporary developments which were causing unemployment have disappeared. Employment levels continue to be well above those of corresponding periods in 1947. Reflecting this high level of employment, personal income payments in 1947 were 155 per cent above those of 1938, the last complete pre-war year.

Seasonal unemployment in Canada reached its peak during February. To date, available evidence suggests that this peak was about the same as that reached last year, namely 140,000.

By the end of February, many of the temporary developments which were acting to increase unemployment had become less potent. The severe weather conditions which had prevailed throughout most of the month seemed at an end by the first of March and the shortage of electric power and of natural gas was much less severe. The strike involving about 9,000 western coal miners had ended, although 1,700 workers had not yet returned to their jobs.

On the other hand, steel shortages were still hampering the operations of many plants in steel-using industries. At the same time, the demand for some goods showed signs of faltering as prices continued to rise. To date, this has resulted only in a small number of lay-offs or in decreased rates of employment expansion.

All in all, however, the month of February did witness a substantial alleviation of many of the conditions which had been unfavourably affecting the labour market.

The large increases in employment in Canada which have occurred since 1939, together with the expanding social services provided in this country during the past ten years, have resulted in a sharp rise in the personal income of Canadian workers and their families.

In 1938, the last complete post-war year, personal income payments in Canada amounted to \$4,031,000,000. By 1947, income payments had risen to \$10,250,000,000, a net increase of 155 per cent. On a population basis, this meant that annual per capita personal income payments rose from an average of \$361.00 in 1938 to \$815.00 in 1947, an increase of 126 per cent.

In addition to this large increase in the volume of personal income payments, the distribution of the payments amongst individuals has become much broader during the past ten years. This, of course, has been the result of expanding social service payments (i.e., family allowances and unemployment insurance), the growth of pension and welfare plans, and the relatively higher levels of employment.

The most important sources of personal income, of course, are salaries, wages and supplementary labour income. In 1938, total labour income accounted for 61 per cent of all personal income. During the war years, however, the vast increases in military pay and allowances caused this percentage to drop to 53 by 1945. In 1947, labour income increased proportionally and accounted for 58 per cent of all personal income payments.

Offsetting the large increases in personal income payments has been the rise in the extent and amount of taxes (both direct and indirect) and the increase in the prices of consumer goods and services. In 1938, 3 per cent of total personal income was disposed of by the payment of personal direct taxes. By 1947, this percentage had risen to 8 and indirect taxes (i.e., sales and excise taxes) were much more widespread.

Nevertheless, personal expenditures on goods and services were much higher in 1947 than in 1938. In total, the increase was 102 per cent, while on a per capita basis it averaged 79 per cent. A high level of employment is the corollary of these increases in the demand for goods and services.

An increasing expenditure on goods and services means a higher standard of living provided that this expenditure is not concentrated in the hands of a smaller number of people and as long as the prices of goods and services do not rise at a greater rate. As pointed out above, personal income, and thus personal expenditures, now are spread amongst a relatively greater proportion of Canadian families than before the war. The prices of consumer goods and services have risen markedly since 1938; the rise was about 33 per cent between 1938 and 1947. As a result, average per capita expenditures on goods and services, which were \$333.00 per year in 1938, were about \$496.00 in 1947 when expressed in terms of prices in 1938. In other words, when the increase in the personal expenditures on goods and services between 1938 and 1947 is adjusted for the price rises which have occurred, it represents a gain of about 48 per cent in the physical volume of goods and services received on a per capita basis. Despite the price increases, therefore, Canadian workers and their families have experienced a substantial increase in their standard of living during the past ten years.

Ordinary live claims for unemployment insurance benefits agains rose sharply in January. At the end of January, 1948, ordinary claimants numbered about 130,800. This was about 36,000 higher than at the beginning of the month and represented an increase equal to that which occurred in December, 1947. There was probably little change in the number of claimants during February.

In January, 1948, the average amount of benefit paid per beneficiary was \$36.90; it was \$36.83 in December, and \$43.16 in January, 1947.

CALENDAR OF LABOUR MARKET EVENTS

February, 1948.

- Feb. 1 More than 800 European immigrants docked in Halifax on the S.S. Ascania. These were bound for settlement in Quebec, Ontario and Western Canada.
- Feb. 2 A strike was called at Rogers Majestic Radio plant, Toronto, by the United Electrical Workers after a breakdown of wage negotiations and refusal by the company to extend a collective bargaining agreement.
- Feb. 2 A strike was called by 600 employees of the John Bertram and Sons machine tool plant in Dundas, Ontario.
- Feb. 10 Finance Minister Abbott announced the government restrictions which will become effective March 1 on the importation of automobiles and automobile parts from the United States.
- Feb. 11 Of the 859 European immigrants who arrived in Halifax aboard the S.S. Sturgis, 142 were garment workers, 120 domestics, 52 hydro workers, 31 foundry workers and 17 steelworkers.
- Feb. 12 As the gas shortage in Western Ontario showed signs of easing, the 20,000 temporarily unemployed were gradually starting back to work.
- Feb. 16 The 35-day strike of some 9,000 coal mine workers ended to-day in most of the British Columbia and Alberta mines when all but 1,700 miners in the Vancouver and Edmonton districts returned to work.
- Feb. 26 A new minimum wage for journeymen barbers and a new schedule of minimum prices were approved at a mass meeting of barbers in the Toronto zone yesterday. The changes are expected to set the pattern for the industry throughout Ontario.
- Feb. 28 A 15-day truce to the month-old strike at Rogers Majestic, Ltd., Toronto, was called while negotiations continue over the wage dispute.

Table I—Economic Indicators of the Canadian Labour Market

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production; these are taken during the month. Latest figures are subject to revision.

	Feb. 1948	Jan. 1948	Dec. 1947	Nov. 1947	Dec. 1946	Dec. 1945	Dec. 1943	Dec. 1939
Population:—								
Births (a)..... 000's	-	14.3	13.3	14.1	14.4	11.1	10.4	6.5
Deaths (a)..... 000's	-	6.9	5.7	5.2	5.2	5.4	6.3	4.5
Immigration..... 000's	-	7.2	7.5	7.6	3.9	1.5	.5	.6
Civilian Labour Force:—								
Number (b)..... 000's	-	-	-	4,934	-	-	-	-
Employment:—								
Number (b)..... 000's	-	-	-	4,847	-	-	-	-
Index (c)..... Av. 1926 = 100	-	192.0	197.6	195.9	184.0	171.4	187.3	122.7
Female (c)..... %	-	22.4	22.2	22.0	23.1	-	-	-
Unemployment:—								
Number (b)..... 000's	-	-	-	87	-	-	-	-
Unplaced applicants (d)... 000's	187	142	117	96	147	180	67	-
Live claims (e)..... 000's	131	95	60	42	64	85	2	-
Earnings and Hours:—								
Labour income..... \$000,000's	-	-	541	553	467	-	-	-
Per capita wkly. earnings (f).. $\$$	-	37.84	37.24	36.34	32.18	30.02	-	-
Average hrly. earnings (f).... $\$$	-	86.6	85.6	84.7	74.5	67.0	-	-
Average real weekly earnings (g) Av. 1946 = 100	-	104.3	104.3	103.5	103.6	102.2	-	-
Average hours per week (f).....	-	43.7	43.5	42.9	43.2	44.8	-	-
Cost of Living:—								
Index..... Av. 1935-39 = 100	150.1	148.3	146.0	143.6	127.1	120.1	119.3	103.8
Strikes and Lockouts:—								
Workers involved.....000's	11	13	3	15	2	19	35	2
Man-working days lost.....000's	141	136	19	120	24	262	52	21
Industrial Production:—								
Index..... Av. 1935-39 = 100	-	178.0	179.6	178.4	167.9	157.2	201.7	119.5

- (a) Based on registration in cities, towns, and villages having a population of 10,000 and over.
- (b) Only include persons 14 years of age and over.
- (c) Based on reports from employers with 15 or more workers and apply to the nine leading industries.
- (d) Based on reports from offices of the National Employment Service.
- (e) Only refer to ordinary Claims.
- (f) Only apply to wage earners in manufacturing. January data adjusted for holidays.
- (g) Computed by dividing an index of per capita weekly earnings of wage earners in manufacturing by the cost of living index.

DIGEST OF OPINION ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by labour and business leaders about major labour topics. The following statements have been carefully selected to represent the consensus of opinion in each group about each specific topic. Where opinions amongst labour or business leaders are divided, two or more statements have been chosen which most aptly represent the various points of view. It should be clearly understood that the listing of any opinion in this section does not mean that the Research and Statistics Branch is in agreement with it. The opinions are only published as indicative of the views of the group to which the persons who express them belong.

WAGES AND PRICES

LABOUR OPINIONS:

Resolution passed by Wage Co-ordinating Committee of Canadian Congress of Labour: "New high prices of goods which are essential to a minimum standard of living, have wiped out wage increases of recent years... Under these circumstances, Canadian Congress of Labour unions have found there is no alternative to demanding and obtaining wage increases."

Ross Russell, director of organization, United Electrical Workers: "If the rise in prices of food alone continues as it has since last July, the demand of the UEW-CIO for a 30-cent-an-hour increase for 1948 will be very modest indeed."

BUSINESS OPINIONS:

L. L. Lang, President of Mutual Life Assurance Co. of Canada: "Fortunately, there are encouraging signs that many wage and salary earners are getting tired of chasing the spiral upward and are placing greater value on the advantages of steady employment and lower prices for the things which they have to buy."

J. M. Pigott, Pigott Construction Co. of Hamilton, Ont.: "In our opinion, construction costs have not yet reached their peak. We expect demands for higher wage rates and we expect to have to settle at higher levels for the building trades in 1948."

A. Deschamps, past president of Canadian Construction Association: "Unless management and labour co-operate in every way to increase productivity and restrain further cost rise, the continuance of a high level of employment in construction will be jeopardized."

U. S. DOLLAR-SAVING PROGRAM

LABOUR OPINIONS:

Resolution passed by International Woodworkers Convention: "While employment may increase in the raw material extracting industries in Canada, employment in the manufacturing industries will be decreased..... This means a reduction in the standard of living since the importation of American manufactured goods into Canada, on a strict quota system means higher prices on the domestic market."

BUSINESS OPINIONS:

W. A. Wecker, president of General Motors of Canada: "The dollar figure which Canada has set for importing automobile parts and materials may have the result of keeping our domestic production for 1948 below what we would like to have achieved and what the market could use."

D. B. Greig, Ford of Canada: "As a result of the import quotas recently announced, Ford of Canada may be forced to produce fewer cars and trucks than originally planned for this year..... However, production curtailment is not expected to have any immediate effect upon our employment."

R. Drummond, national vice-president of Canadian Construction Association: "It would be helpful if the government could indicate the types or classes of project which will qualify for American materials."

D. C. Durland, chairman of the Board, Canadian General Electric Co. Ltd.: "In spite of restrictions on U.S. imports, electrical manufacturers anticipate that materials will be made available to enable them to produce, without curtailment, urgently required apparatus for power production and essential industry. It is also expected the level of production of most electrical appliances will be maintained."

IMMIGRATION

BUSINESS OPINIONS:

N. R. Crump, vice-president of the eastern region of the Canadian Pacific Railway: "An influx of soundly selected immigrants is not only desirable but necessary for the achievement of the nation's future."

D. P. Hatch, past president of the Canadian Exporters' Association: "Immigration with us is not a matter of choice or policy. It is a 'must' for our national development."

THE EMPLOYMENT OUTLOOK

The present forecast indicates that employment levels during the first half of 1948 will be approximately 3 per cent higher than for the comparable period last year. Employment during January and February was passing through the customary winter trough and was, therefore, somewhat below the peak reached late last summer; however, the forecast envisages a considerable improvement over the present employment situation as the Canadian economy moves into the initial stages of spring activity.

General Summary

Employment forecasts for April 1 and July 1 of this year indicate that a high level of employment will be maintained at least until mid-year. Factors preventing further substantial increases in employment will be the supply of labour, especially the small numbers of skilled workers available, some material shortages, principally steel, and the limits of plant capacity. Nevertheless, large backlogs of orders for capital goods and consumer durables will sustain demand for the next several months.

No adverse effects on the total employment situation are expected to result from the measures recently adopted, and those at present under consideration, as part of the Dollar Conservation Program. Some frictional unemployment may develop from enforced curtailment of operations in one or two branches of industry where imports of raw materials from the United States have been reduced or prohibited; however, it is expected that workers so displaced will be absorbed readily into other jobs.

These forecasts assume that the third-round wage drive announced by trade union leaders will not result in serious work stoppages on a scale comparable to that of 1946.

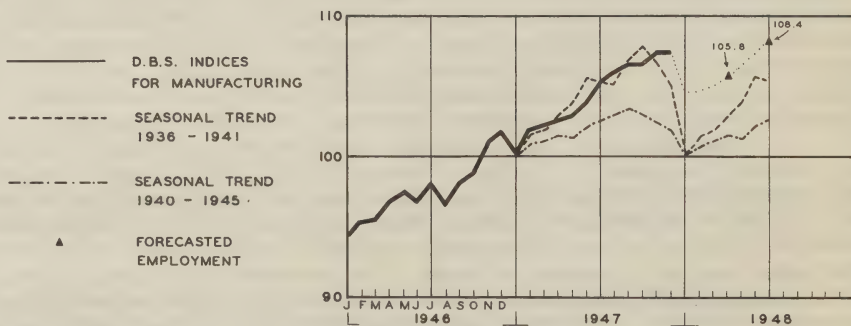
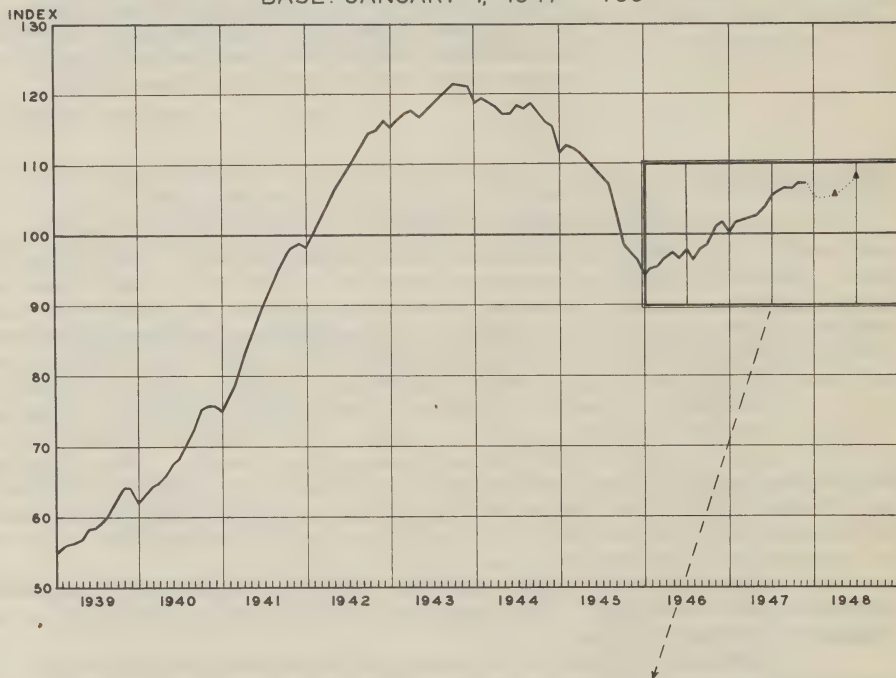
A spirit of optimism is prevalent throughout manufacturing industries (with one or two exceptions) and, while the upward cyclical trend which was in progress during late 1946 and all of 1947 has levelled off considerably, a year of high activity is foreseen. Business executives expressed some concern over the recent commodity price break which occurred in the United States, but confidence was not disturbed to any great extent. The short-run outlook for our economy continues to appear favourable.

Immigration of approximately 5,000 workers per month, in addition to a natural increase in the work force of 50,000 (estimated) a year, means that some 83,000 more persons on the average will be available for employment during 1948. In addition, rising costs of living are encouraging married women and others who are not normally a part of the labour force, to enter the labour market in search of work. The forecast envisages higher levels of both employment and unemployment than those which prevailed during the first half of 1947. The rise in unemployment, at the most, will be only a few thousand persons, and, therefore, is not expected to be of any serious consequence.

EMPLOYMENT TRENDS OF MANUFACTURING INDUSTRIES 1939 - 1948

ACTUAL AND FORECASTED

BASE: JANUARY 1, 1947 = 100



Manufacturing Industries

An analysis of the direct forecasts of key establishments in manufacturing industries indicates that employment at April 1 and July 1 is expected to attain levels 3.2 and 2.9 per cent, respectively, above those for corresponding dates in 1947. In terms of absolute figures, this means manufacturing employment will be running about 33,000 higher than in the first two quarters of last year; the July 1 estimate of 1,086,000 employees in firms with 15 or more workers will be a record peacetime level for this group of industries.

The following table sets forth year to year comparisons of employment in the main sub-divisions of manufacturing.

Table I--Employment in Manufacturing Industries

Industry Group	Actual Employment(1)		Forecast Employment	Percentage Change	
	July 1, 1946	July 1, 1947	July 1, 1948	July 1/46 to July 1/47	July 1/47 to July 1/48
Consumer Non-Durables	304,545	323,196	328,100	+ 6.1	+1.5
Ancillary to Consumer					
Non-Durables	136,314	149,530	155,000	+ 9.7	+3.7
Consumer Durables ...	133,664	151,556	157,100	+13.4	+3.7
Producer Goods					
Industries	384,124	403,822	417,800	+ 5.1	+3.5
Electric Power	23,515	26,750	29,300	+13.7	+9.5
Manufacturing(2)	982,771	1,055,167	1,086,000	+ 7.4	+2.9

(1) D.B.S. employment statistics of establishments employing 15 or more persons.

(2) Manufacturing figures are not the totals of sub-groups as there are certain minor omissions from sub-groups.

While the cyclical trend is still upwards, it can be seen from the above table that the rapid rate of growth, which was in evidence during 1946 and 1947, has been arrested. Therefore, the increase predicted by this forecast is of very moderate proportions. Each sub-group shows signs of a declining rate of growth; the levelling off is particularly noticeable in both the consumer durable and non-durable sections.

Consumer Non-Durable Finished Good Industries

Employment in this group is expected to reach 328,100 by July 1, an increase of 1.5 per cent over the same date for last year. Rising prices have largely absorbed any additions to consumer income and, in some

cases, there have been declines in the real value of incomes. As a result, physical volume of sales in the non-durable field has shown no appreciable increase. Although consumer buying power is still strong, the supply-demand situation has been brought closer to a point of equilibrium through upward price adjustments and increasing production. With expansionary pressure thus lessened, there is a diminishing tendency for this manufacturing group to expand, at least during the forecast period.

Food--Employment in the food group will pass through a seasonal trough during the forecast period. After reaching a low of 94,800 at April 1, a moderate recovery to 106,900 by July 1 will take place. This latter figure represents an increase of 2.3 per cent over July 1, 1947. The declining rate of employment increase is attributable mainly to a reduced rate of growth in the edible plant products group.

Clothing (including miscellaneous finished textiles)--A slight seasonal drop in employment is anticipated during the second quarter. The year to year comparison indicates the forecast employment figure of 129,500 for July 1 will be only 0.4 per cent over that for last July. The arrested growth of this industry is partially due to the general leveling off of consumer purchases, but, undoubtedly, recently imposed restrictions on the importation of finished textiles from the United States will reduce the quantity of cotton available for manufacture in this country. Theoretically, a large percentage of the material deficiency is to be made up through larger imports from Great Britain (estimated at 150 million yards this year), but doubt has been expressed as to whether the total anticipated volume of these goods will actually reach Canadian markets because of the high prevailing prices of British textiles and uncertain delivery schedules. The extent to which our primary textile producers can supply this trade will have some bearing on the maintenance of high employment during the next six months.

Printing, Publishing and Bookbinding--In this industry, the July 1 forecast employment figure of 50,500 represents an increase of 4.4 per cent over that for July 1, 1947. Although employment is expected to expand during 1948, the rate of growth will be less than one half that for 1947, because of approaching equilibrium in the market demand-supply situation.

Beverages--Employment is expected to decline through the first quarter of 1948 because of seasonal inactivity and swing upward to a figure of 18,900 by July 1. The increase from July 1, 1947 to July 1, 1948 is estimated at 4.8 per cent. New plant capacity combined with greater seasonal activity will account for this increase.

Tobacco--Employment in tobacco manufacturing is not expected to show much change, apart from moderate seasonal fluctuations. The tobacco market remains stable.

Industries Ancillary to Consumer Non-Durable Goods--

All industries in this group, except the Primary to Food industry, show a continuing expansion in 1948 over 1947, but a considerably declining rate as compared with 1947 over 1946.

Primary to Food (Flour Milling Industry)--Employment is expected to drop from its November 1, 1947 level of 6,870 to 6,100 by April 1 and to recover slightly to 6,200 by July 1. The year to year comparison indicates employment at July 1 will be down 600 from the same date last year, a decline of 8.8 per cent. This contraction in employment is mainly due to the shortage of wheat occasioned by last year's poor crop.

Primary to Clothing--Import restrictions on finished United States textiles, coupled with current difficulties in securing additional quantities of cotton goods from Britain, have shifted a somewhat heavier burden onto domestic production facilities. As a result, the cotton producing group of the primary textile industry sees no lessening in demand for its goods and looks forward to a year of capacity operations limited only by a shortage of suitable labour. Demand continues strong for other basic textile products (woollens and rayon). Export controls on wool and rayon products were removed at the end of January. The forecast for July indicates that employment is expected to be 65,200, up 3,600, or 5.7 per cent, from July 1, 1947. This increase will be due partially to new plants coming into production.

Primary to Printing--Employment in the pulp and paper industry is expected to reach 53,500 by July 1 of this year, an increase of 4.8 per cent over the July 1, 1947 figure. Both domestic and foreign markets, particularly the latter, remain exceptionally strong and no difficulties are anticipated in the near future. While the rate of growth of employment is showing signs of declining, it can be expected to continue at a moderate pace for some little time in view of the vast expansion currently taking place in the sulphate pulp manufacturing group.

Containers--The market for wooden, glass, metal and paper containers remains very firm. Expansion is occurring in the paper container group as new methods of packaging are being developed. In general, this industry is in a fairly stable condition. The July 1 forecast figure of 30,100 is but 0.2 per cent above that for the same date last year.

Consumer Durable Goods--

The percentage changes from July 1, 1947 to July 1, 1948 indicate a marked decline in the rate of employment growth in these industries. This is mainly attributable to a diminishing rate of increase in the Household Furniture and Electrical Goods groups and to a moderate contraction in the Automobile manufacturing industry.

Household Furniture--Employment is expected to be 90,000 as at July 1, this figure representing an increase of 5,800, or 6.8 per cent, over July 1, 1947. In addition to the current backlog of demand, the

abnormally heavy program of housing construction now in progress, continues to create a strong market for household furnishings. Radio manufacturers have cut down production schedules in anticipation of a reduced volume of sales this year; producers in other lines have expressed some uncertainty over maintaining steel supplies at a level in keeping with production schedules. The imposition of additional excise taxes is not expected to have any adverse effect on demand for the majority of items classified in the household goods category.

Vehicles--Restrictions on the import of motor vehicle parts will account for the slight decline in employment forecast for July 1. The number employed on this date will be 58,600 as compared with 58,980 on July 1, 1947, a drop of 0.6 per cent. Demand for automobiles continues to exceed supply because of low import quotas for American made cars; as a result, higher excise taxes are not likely to impair the ability of the Canadian market to absorb the full volume of domestic production.

Rubber--Stable conditions are likely to prevail in this industry during the first half of this year and plant capacity is expected to be fully utilized. Any slack resulting from reduced demand for passenger car tires as a result of slightly contracted automobile manufacturing schedules, will be taken up by switching plant facilities to the production of truck and bus tires. The July 1 employment forecast figure of 25,000 is only 1.0 per cent above the July 1, 1947 figure.

Producer Goods Industries

The majority of groups in this industry continue to display relatively strong expansionary tendencies. However, the predicted overall increase of 3.5 per cent for July 1, 1948 over July 1, 1947 is low; first, because employment expansion in construction materials is very moderate, and secondly, because both Aircraft and Shipbuilding are passing through the final stages of post-war contraction. Agricultural producers' goods and non-ferrous metal products show the greatest percentage increases over comparable figures for last year.

Machinery Building--Employment as at July 1, 1948 is estimated to be 94,100, an increase of 4.1 per cent over July 1, 1947. The current heavy capital investment program now in progress will sustain the demand for machinery.

Integrated Steel--This industry continues to operate at full capacity with its products in excessive demand. Although, steel users feel in many cases that Canadian productive facilities should be greatly expanded, no such expansion is looked for in the near future. Producers are reluctant to undertake any substantial capital investment program for the purpose of satisfying what they feel is an abnormal and purely temporary market condition. However, since some renovation and extension of existing plants is in progress, employment is expected to rise moderately during the forecast period. The figure for July 1 is set at 59,000, compared with 56,840 a year previously. This increase of 5.3 per cent indicates that both cyclical and secular (long term) growth factors are still present.

Agricultural Producers' Goods--The forecast for this industry indicates employment is expected to be 22,700 at July 1, an increase of 9.1 per cent over the July 1, 1947 figure of 20,800. A strong demand is enabling capacity operations to be maintained. This demand arises from a number of factors, chief of which are high farm income, shortage of farm labour, shortage of farm machinery as a result of curtailment of production during wartime, and the long term trend towards farm mechanization. A substantial expansion of plant facilities is underway at present and further increases in employment may be looked for as new units come into operation.

Chemicals and Chemical Products--Employment in this group is expected to display a moderate growth during the forecast period. The July 1 forecast of 20,500 represents an increase of 2.7 per cent over the figure for July 1, 1947. Strong demand for chemicals continues due to current capacity operation of the chemical using industries. In addition, the market for fertilizers, chiefly export, continues to absorb total production. Considerable plant expansion is taking place at present.

Non-ferrous Metal Products--The July 1 employment forecast figure of 50,300 represents an increase of 7.6 per cent over the 46,950 persons engaged in this industry on July 1 of last year. Thus, the upward cyclical trend remains in evidence although the rate of growth is tending to diminish. Employment in smelting and refining of non-ferrous metals is being sustained because of high foreign demand. The United States market, which absorbs a large portion of total non-metallic production, particularly aluminium, shows no signs of weakening.

Construction Materials--Indications are that this industry will remain relatively stable, at least until the fall of this year. Employment forecast for July 1 of 60,900 is only 1.9 per cent above the figure for July 1, 1947. A very active construction industry will continue to support employment in this group during the next few months.

Petroleum--Although dollar value of new plant expansion is high in the petroleum refining group, new job opportunities are few in number because of the nature of refining processes. Consequently, only a very moderate increase in employment of 2.9 per cent is anticipated by July 1 of this year, the number of employees being 10,000 as compared with 9,700 one year previously. The current demand-supply situation suggests that the market for petroleum products will continue to tax supply facilities for some time to come.

Sawmills--Loss of United Kingdom markets through deferrals of scheduled 1948 purchases because of the current dollar shortage, has brought about depressed conditions in the Maritime sector of this industry. However, this condition is expected to improve now that export restrictions have been eased and Maritime lumber may be shipped to other foreign markets. Employment in British Columbia has steadily expanded since the United States market continues to absorb a large percentage of lumber exports. In addition, domestic demand remains strong because of the current extensive program of housing and other construction. The July 1 employment forecast figure of 50,800 represents an increase of 3.1 per cent over the 49,300 registered at July 1, 1947.

Aircraft—Lack of markets for the products of aircraft manufacturers has brought about a severe contraction in employment. The July 1 forecast of 9,800 is based partially on the expectation that certain United Kingdom contracts will be successfully negotiated. However, since possibilities of British Orders in the near future are very slight because of foreign exchange difficulties, employment may drop below the forecast figure. Year to year comparisons show that employment will be down approximately 10 per cent for the year ending July 1, 1948.

Shipbuilding—Employment in shipbuilding has continued to decline over the past two years. The July 1 forecast of 23,200 is 6.8 per cent below the July 1, 1947 figure of 24,886. The current contraction would appear to be the result of material shortages, principally steel, since, in most instances, there is a substantial backlog of work. Moreover, further contracts from foreign countries are in the process of negotiation. Although lack of orders has caused temporary lay-offs in the Maritimes, this condition is not expected to persist.

Electric Power

The July 1 employment figure of 29,300 represents an increase of 9.5 per cent for the year ending on that date. This is the result of several large scale electric power projects at present under construction. Further increases can be looked for as additional labour becomes available.

Primary Industries

The primary industries (logging and mining) were restricted severely by scarcity of suitable labour during all of 1946 and most of 1947. However, this situation appears to have been eased considerably in the recent past by immigration of Displaced Persons from Europe. Additional quotas of immigrants scheduled to arrive over the next few months will further augment the labour supply for these industries.

Logging

Pulpwood Logging - Manitoba and East—Since the normal seasonal decline is now under way, employment is expected to decline from 65,900 at November 1, 1947 to 34,000 by April 1 and 30,500 by July 1, 1948. This latter figure, however, represents a 9.9 per cent gain on a year to year comparison basis. Reports indicate that, for the first time in several years, this season's pulpwood cut will be adequate to fill pulp mill needs.

B.C. Logging—The employment figure of 16,800 forecast for July 1 represents an increase of 7.2 per cent over the same date last year. Most employers report a fairly adequate supply of labour. Because of the demand for saw logs in the world market for lumber, and the demand for pulpwood logs arising out of west coast paper mill operations, the present high level of activity is expected to be maintained throughout most of this year. However, since practically all the predicted increase in employment has already taken place, this industry is expected to remain relatively stable throughout the forecast period.

Mining

Metal Mining--The growth of employment in metal mining from July 1, 1947 to July 1, 1948 is forecast at 7.2 per cent; the figure for the latter date is estimated at 41,900. Accelerated activity in the gold mining group is expected to sustain this rate of growth through 1948, although a shortage of skilled workers may be a restricting factor. Strong markets for base metals will support high employment levels in these mining groups.

Non-Metallic Mining--The July 1 forecast of 16,800 for this industry, a 2.3 per cent increase from July 1, 1947, indicates a decline in the rate of cyclical growth. Demand for asbestos (the major mineral in this group) continues to exceed supply; the outlook for the remainder of the industry for the forecast period is equally encouraging.

Coal Mining--The July 1 forecast of 24,000 represents an increase of 2.2 per cent over the July 1, 1947 figure. Employment is expected to be stable, or a little lower in the western region, and slightly higher in the Nova Scotia area. Current demand for fuels indicates that the market will continue to absorb domestic coal production throughout the remainder of this year.

Communications

Telephones--The rate of growth in this industry is declining as evidenced by the percentage increases of 19.8 and 4.2 for the July 1, 1946, 1947 and 1948 year to year comparisons. It is expected that 38,800 workers will be employed as at July 1 of this year.

Retail Trade

Department Stores and Mail Order Houses--Apart from seasonal fluctuations, employment in this industry is expected to remain relatively stable. The July 1 forecast of 54,400 represents only a slight increase (1.3 per cent) over July 1, 1947. While new records for dollar volume of sales were set in the latter part of 1947, the physical volume of sales showed little change from the previous year. Although buyers are tending to be more selective, consumer purchasing power is still sound and department store officials feel the present volume of business can be maintained throughout most of 1948.

TABLE II--EMPLOYMENT FORECAST
January 1, 1947=100

(Source: Employment Forecast Survey, First Report, 1948)

Selected Industries	Recorded Employment		Forecast Employment	
	Jan. 1, 1947 (Actual)	July 1, 1947 (Index)	April 1, 1948 (Index)	July 1, 1948 (Index)
MANUFACTURING INDUSTRIES	1,002,340	105.3	105.7	108.3
Food (Other than flour mills).....	100,312	104.2	94.5	106.6
Clothing (Excluding Rubber).....	107,730	104.1	107.6	104.4
Beverages.....	16,980	106.2	104.2	111.3
Flour and feed milling.....	6,547	103.8	93.2	94.7
Primary Textiles.....	60,399	102.1	109.3	107.9
Pulp and paper.....	44,901	113.7	109.1	119.2
Containers.....	28,619	105.0	102.4	105.2
Household furniture and electrical goods.....	80,946	104.1	111.4	111.2
Vehicles (Automobiles and parts excluding Rubber).....	40,189	111.0	114.1	114.7
Rubber.....	23,951	103.3	104.0	104.4
Machinery building.....	90,550	99.8	103.4	103.9
Integrated Steel.....	55,606	102.3	107.0	107.7
Agricultural implements.....	18,544	89.1	118.6	122.4
Chemicals.....	18,998	105.1	104.2	107.9
Non-ferrous metal products.....	44,707	105.0	110.9	112.5
Construction materials.....	55,530	107.6	108.4	109.7
Petroleum products.....	9,103	93.7	102.2	109.9
Sawmills.....	40,026	123.1	113.7	126.9
Aircraft.....	12,631	86.4	75.2	77.6
Shipbuilding.....	22,693	109.7	103.4	102.2
Electric power.....	23,792	112.4	114.7	123.2
PRIMARY INDUSTRIES				
Logging				
Manitoba and East (Pulpwood).....	52,464	52.9	64.8	58.1
British Columbia.....	11,979	130.8	144.4	140.2
Mining				
Coal Mining.....	24,554	97.2	101.4	99.4
Nova Scotia.....	12,280	103.9	107.5	107.5
Alberta and British Columbia.....	11,114	91.3	94.5	90.9
Metal Mining	35,162	111.1	119.2	119.2
Non-Metallic Mining	12,712	125.6	114.1	132.2
MISCELLANEOUS INDUSTRIES				
Communications				
Telephones.....	33,557	111.0	110.0	115.6
Retail Trade				
Department Stores (1).....	60,370	88.9	89.0	90.1

(1) Retail Trade figure for January 1, 1947 is high because of the Christmas trade. Thus the indices for succeeding dates are not actually sub-normal.

EMPLOYMENT SERVICE ACTIVITIES

Although the peak in registration at employment offices was reached in January, placements did not keep pace, and, as a result, the number of unplaced applicants continued to rise. By mid-February, however, the number of unplaced applicants had begun to level off at approximately 200,000, a total slightly in excess of the 1947 high. Job opportunities were few during the seasonal slump with unfilled vacancies reaching an all-time low. A sharp decline in labour turnover was an important factor contributing to the small number of vacancies.

Employment offices were faced with the season's heaviest workload during January. The influx of applicants for work was due mainly to the usual seasonal causes: further employment declines in the seasonal industries, year-end lay-offs, release of Christmas workers, and a backlog of unemployed who had not sought jobs in December. Lay-offs necessitated by power and gas shortages in industrial areas of Ontario further aggravated the situation. It appeared that the turning-point in the seasonal trend of unplaced applicants would be reached two or three weeks later this year than the mid-February date recorded in 1947. This continuation of the seasonal upswing of unplaced applicants was largely due to the release of bush-workers in January and early February, one month earlier than in 1947. Last year, release of woods workers coincided with the opening up of activity in summer seasonal industries. By March, however, the employment situation is expected to show decided improvement as activity again gets under way in the seasonal industries.

The volume of job-seekers, totalling 200,000 at the probable seasonal peak, exceeded that of 1947 by 5,000. This gain over the year does not necessarily mean a greater degree of unemployment; male job-seekers were 3,000 fewer in number than those reported one year before. The rise was entirely due to the influx of female applicants, many of whom were married and seeking supplements to family income because of high living costs. Geographically, the Pacific and Quebec regions alone indicated a noticeable deterioration in employment. The increased number of job-seekers in the latter region was accounted for mainly by the earlier release of woodsmen; this unemployment was not considered serious since it would probably be of only two to four weeks' duration.

However, there were fewer jobs available during the seasonal slump than one year ago. This could primarily be ascribed to the greatly reduced labour turnover in all industrial fields. Mining, logging and service industries, all of which have suffered severely from labour turnover throughout the post-war period, reported a marked improvement during the past few months. This growing stability in the labour force, together with the additional workers made available through immigration, has greatly reduced demand for labour in these industries. In domestic service, however, a heavy demand continued, and, because of the scarcity of alternative opportunities, more women were turning to this class of work. Permanent placements into domestic service gained rapidly during January to reach the highest point in the post-war period.

Although the number of vacancies reported increased slightly at the beginning of the new year, the January level was 43 per cent below that of 1947. The slight gain in vacancies enabled the January placement rate to be maintained at approximately the December level. Placements over the year, however, suffered a 28 per cent decline. Industrially, placements in manufacturing and logging showed sharp gains over the month, and these offset the seasonal declines in mining, construction, transportation and trade.

An advance in placement work during January was reported in two of the three main specialized sections of the Employment Service. In the Women's Division, placements increased by 16 per cent during the month, as the entrance of large numbers of women into the labour force enabled certain long-standing vacancies in the clerical occupations to be filled. The willingness of women to accept domestic work also bolstered placement levels. Executive and Professional offices also indicated a slight upswing due in part to absorption of immigrants from Great Britain. The table at the conclusion of this section gives a break-down of placements effected in the specialized sections.

The number of claimants for unemployment insurance rose rapidly during January to total 131,000 at January 31, representing an increase of 36,000 and 27,000 respectively over the previous month and year. The yearly gain, however, reflected the increased number of ex-servicemen eligible for unemployment insurance. Conversely, "out-of-work" claimants, a temporary D.V.A. payment to unemployed veterans, dropped from 34,000 to 3,000 over the year. This substantiated the assumption that overall unemployment at the end of January was still somewhat below that of 1947.

The following presents a brief statistical summary of placement activity in employment offices during January and the comparative periods:

Table I--Placement Operations of the National Employment Service

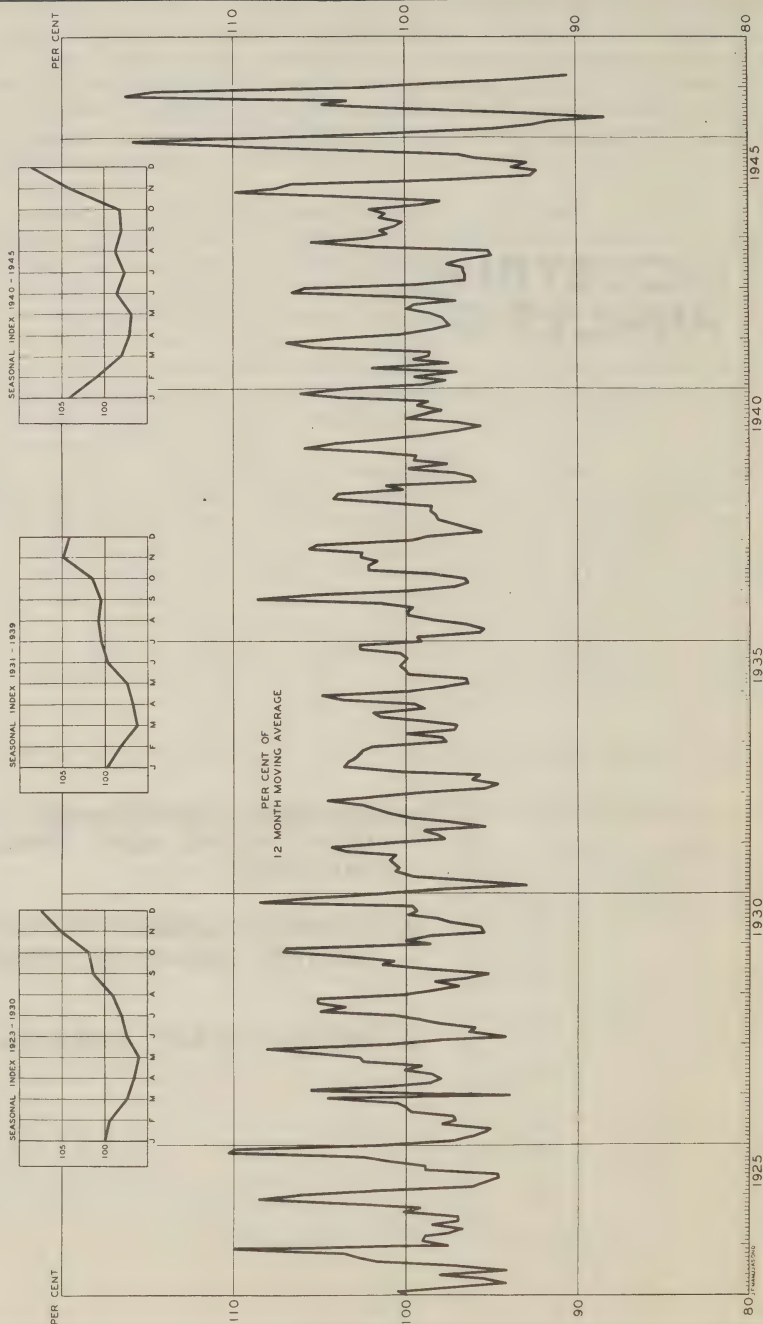
(Source: Form UIC 751; Form UIC 7550B; Form UIC 751)

Series	Average Weekly		
	Jan. 1948	Dec. 1947	Jan. 1947
Applications for work.....	38,000	30,000	41,000
Vacancies notified.....	17,000	15,000	30,000
Placements.....	10,000	10,000	14,000
Women.....	3,700	3,200	4,400
Veterans.....	2,100	3,300	3,800
Handicapped.....	200	290	290
Executive and professional.....	50	45	65

INDUSTRIAL ANALYSIS

- ▲ SEASONAL VARIATIONS OF EMPLOY-
MENT IN THE MEAT PRODUCTS
INDUSTRY
- ▲ CURRENT LABOUR SITUATION IN
MAJOR CANADIAN INDUSTRIES
- ▲ RECENT WAGE CHANGES

SEASONAL VARIATIONS IN EMPLOYMENT MEAT PRODUCTS INDUSTRY



SEASONAL VARIATIONS OF EMPLOYMENT IN THE MEAT PRODUCTS INDUSTRY

Unlike most industries, the degree of seasonality in employment in the meat products industry is greater in a period of prosperity than in a depression. These seasonal variations in employment arise out of the fluctuating supply of livestock at different seasons of the year. Although certain developments in the meat products industry itself have tended to spread production and employment more evenly throughout the year, further reduction of seasonal variations in employment and, hence, more income security for the workers, will arise only from a more even marketing of livestock. So far, only the regular workers have a guaranteed weekly wage.

Although livestock has been slaughtered for meat for many centuries, meat packing as an industry did not become important in Canada until after the middle of the 19th century. Before that time, the local butcher or slaughterer prepared meat largely for consumption in the immediate vicinity. Any meat which was not for local needs or immediate use had to be cured or salted. The development of refrigeration and transportation facilities, however, made possible a wide extension of the market for fresh meat. The meat packing industry, therefore, expanded rapidly and a growing demand for packing-house workers arose.

In 1701, the earliest date for which employment data is available, there were 2,400 workers employed in the industry. By 1917, total employment had passed the 10,000 mark. Following this period, employment remained fairly stable until the second world war when record levels were achieved. At this time, a peak of 23,000 workers were engaged in meat packing. In the postwar years, employment has remained high and now hovers around the war peak.

In ordinary times, the average worker in the meat-packing industry was employed at least 10 or 11 months out of the year. When compared with an industry such as automobiles and parts where the average worker was employed for only six to seven months out of the year, the effect of seasonality on employment is not severe. Nevertheless, seasonal fluctuations in the meat packing industry have provided a real problem for both the packers and the workers.

DEGREE OF SEASONALITY

A careful examination of the seasonal movement of employment in the meat products industry reveals a varying seasonal pattern from 1923 to 1946. Average seasonal indices, therefore, were computed for three different periods--the 'Twenties, the 'Thirties, and the war years.

During the first period, 1923 to 1930, there was a total range of variation of 11 per cent about the average level of employment. This range was composed of an average seasonal rise of 7 per cent and an average seasonal decline of 4 per cent.

The second period, 1931 to 1939, witnessed a slight decrease in the range of variation when it fell to 9 per cent - an average increase of 5 per cent and an average decline of 4 per cent.

During the war years, the degree of seasonality was accentuated. At this time, 1940 to 1945, the range of variation was 12 per cent - an average increase of 9 per cent and an average decline of 3 per cent.

In order to convey a more accurate impression of the effects of seasonal fluctuations on employment, it is necessary to measure the volume of seasonal unemployment in the industry. Seasonal unemployment in any month is measured by the difference between employment in the particular month and at the seasonal peak.

In this particular study, the volume of seasonal unemployment was measured by the difference between employment at the trough and at the peak. During the years, 1923 to 1930, the lowest level of employment on the average was 12 per cent⁽¹⁾ below that at the seasonal peak. In other words, approximately 1,000 workers of the average peak number of 9,000 were seasonally unemployed in the slackest period. From 1931 to 1939, the lowest level of employment on the average was 9 per cent below that at the peak; about 900 workers out of the average peak of 11,000 were unemployed for varying intervals. From 1940 to 1945, the lowest level of employment on the average was 14 per cent below the peak; about 3,200 workers out of the peak number of 23,000 were unemployed in the slackest time.

One of the most interesting facts about the meat packing industry is that the degree of seasonality in employment was greater in the war period than in peacetime and less in the depression than in a period of relative prosperity such as the 'Twenties. The degree of seasonality in the first post-war year (1946) was even greater than in any of the preceding periods. This is contrary to the experience of most industries. The marked increase in amplitude of variation in the war years may be explained in terms of demand and supply. In this industry, the heightened demand of the war resulted in a greater production of livestock. With a greater supply of livestock going to market, the working force expanded to meet the situation. The net result was a greater degree of seasonal fluctuation in employment since the seasonality of supply was accentuated. A similar explanation applies to the extent of seasonality in a prosperous period and in the immediate post-war period.

Average seasonal indices of employment in this industry are presented in Table I.

(1) This percentage differs from that of the range of variation since the bases of comparison are different. This range of variation is measured about the average level of employment, whereas the volume of seasonal unemployment is measured from the highest level of employment.

Table I--Average Seasonal Indices⁽²⁾ of Employment
in the Meat Products Industry

(Source of Original Data: Employment & Payrolls Branch, D. B. S.)

	1923-30	1931-39	1940-45	1946(3)
Jan. 1.....	100.0	99.8	104.0	108.6
Feb. 1.....	99.5	98.2	100.7	101.6
Mar. 1.....	97.4	96.2	98.0	95.0
Apr. 1.....	96.5	96.7	97.0	92.7
May 1.....	96.0	97.4	96.7	91.7
June 1.....	97.4	99.7	98.6	88.3
July 1.....	98.0	100.4	97.6	93.0
Aug. 1.....	99.0	100.8	98.7	99.6
Sept. 1.....	101.3	100.4	98.0	104.8
Oct. 1.....	101.8	101.4	98.3	103.3
Nov. 1.....	105.8	104.9	104.0	116.3
Dec. 1.....	107.3	104.1	108.4	114.6

- (2) In studying seasonal fluctuations of employment in any industry, the first step must be to calculate seasonal indices. In Table I, "normal" or average seasonal indices have been calculated from the employment data of the Employment and Payrolls Branch, Dominion Bureau of Statistics. The method has been to compute a centered 12-month moving average and then to express the original data as a percentage of the appropriate centered moving average figure. These percentage deviations were then arrayed by months. Three different periods, within each of which the seasonal pattern was fairly consistent, were observed. For each of these periods, a modified mean of the percentage deviations was calculated and this mean was multiplied by a correction factor in order to arrive at a final "normal" or average seasonal index for the period.
- (3) Not an accurate pattern. These indices are the original employment figures expressed as percentages of the appropriate centered 12-month moving average figure. Irregular movements, as well as those which are seasonal, are reflected in these percentages, although in this case such non-seasonal movements are negligible.

PATTERN OF SEASONALITY

During the first period, 1923 to 1930, employment in the meat packing industry commenced its seasonal downswing at the beginning of January, and continued down until its seasonal low point was reached during April. Beginning in early June, employment maintained a steady upward movement until the beginning of December, at which time the seasonal peak was reached.

In the second period, 1931 to 1939, the seasonal pattern was similar to the first except that the trough was reached at the beginning of March and the peak occurred one month earlier.

In the more recent period, 1940 to 1945, the lowest and highest levels of employment occurred at exactly the same time as in the first period, 1923 to 1930, in April and December, respectively.

CAUSES OF SEASONALITY

The underlying causes of seasonal fluctuations in production and employment in the meat products industry may be found in the variations which take place in the flow of its raw materials. The marketing of livestock by farmers is a highly seasonal occurrence. In addition, since livestock cannot be stored for any appreciable period after it reaches the market without incurring very high costs, seasonality of slaughtering and inevitably of employment in the meat packing industry is a direct result.

The highly seasonal pattern which occurs in the marketing of livestock can be explained primarily by the fluctuations in the availability of pasture land and thus of feed supplies. Fluctuating feed supplies, in turn, are attributable to the recurring annual patterns of temperature and rainfall which characterize this country. The customary practice of Canadian livestock growers has been to fatten their livestock for market during the summer and early fall months when good pasture land is available. This is obviously the most economical practice. Accordingly, the supply of marketable livestock reaches its maximum from fall until early winter. The marketing of this stock accounts for the high level of employment in the meat packing industry throughout these months.

In the spring, the volume of marketing declines because feed supplies are low and the livestock cannot be fattened. Another limiting factor during this season is the breeding period during which slaughtering is necessarily curtailed. It should be mentioned, however, that a certain number of lambs and cattle are fed throughout the winter months so that they can be marketed in the spring.⁽⁴⁾ This practice somewhat lessens the sharp decline in employment at meat packing plants which takes place during the spring.

The relatively low level of employment in the meat packing industry during the summer arises in part from the fact that the young animals bred in the spring have not yet attained sufficient maturity to be marketable as first class meat. This factor is in addition to the important one already mentioned whereby farmers make use of the large supplies of feed during the summer months in order to fatten their livestock.

PROSPECTS OF STABILIZATION

Since the main causes of seasonal fluctuations in the meat products industry arise out of the highly seasonal flow of supplies, the most logical way to reduce the seasonal ups and downs in employment is by regulating the flow of livestock to market.

(4) Winter feeding is discussed under "Prospects of Stabilization".

Past experience has shown that it is more economical to concentrate livestock production during the seasons most favoured by natural conditions and to store part of the meats for seasons of lower production in the meat-packing industry than to attempt uniform distribution of livestock production and marketing throughout the year. In recent years, however, more and more farmers have been feeding cattle through the winter and marketing them in the spring and early summer rather than turning them off the pasture and to market in the fall. A better market price for cattle in the spring is conducive to this practice.

In addition, the production of feed crops has increased in recent years as a result of the development of higher yielding varieties of feed, as well as the adoption of improved tillage practices and the increased use of fertilizers. The displacement of horses by mechanical power has released more of the total feed produced for use in the production of meat animals. When an abundant supply of feed is available farmers hope to make a larger profit on livestock by winter feeding.

Farmers might be encouraged to regulate even further the raising and shipping of livestock so that a smoother flow from the farm will continue throughout the year. Changes in the cost and techniques of producing livestock, however, will be necessary in order to regulate marketings. It has already been pointed out that many farmers have found it profitable to feed their livestock in the winter and market them in the spring. This practice has had the effect of maintaining employment in the meat packing industry at higher levels during the spring and early summer.

Since the supply of basic raw materials does not lie within the direct control of the meat packers, the possibility of further reducing seasonal fluctuations in supply in this industry rests mainly with the farmer. Certain developments in the meat products industry itself, however, have tended to spread production and employment more evenly throughout the year.

In the first place, the manufacture of other products has likely resulted in a decrease in the extent of seasonality in employment. Most meat-packing firms have found numerous uses for the by-products of slaughtering. Interest in by-products was stimulated at an early date in an attempt to spread overhead costs and to overcome sewage disposal problems. By processing some of the "waste materials" into products such as oils for industrial purposes, glue, soap, radiator glycerine for automobiles, animal feeds and pharmaceuticals, overhead costs were evened out, and the magnitude of the sewage disposal problem was reduced. This development has led to a smoother movement of production and employment throughout the year.

Second, many meat-packing companies have also developed important side-line operations in such commodities as poultry, eggs and dairy products. The year-round demand for these products, especially eggs and dairy products, has possibly helped to spread employment throughout the year for some of the workers.

Third, the consumption of meat, particularly of fresh meat, declines considerably in the hot weather. By concentrating on the production of prepared meats in the summer season, the packing companies have been able to maintain a relatively high level of employment during this slack period.

Assuming that fluctuations in supply and inevitably in employment cannot be eliminated altogether, what measures might be taken to provide greater income security for workers in the industry?

The establishment of an annual wage for meat packing employees, would reduce income insecurity considerably. It would mean security of employment throughout the year and the assurance of regular earnings. The plan would eliminate the extreme variability between hours of work and earnings per week. Although the hours of employment would continue to fluctuate in direct relation to the delivery of raw materials, the amount of earnings would be stabilized.

One large American firm has had several years experience with a form of annual wage whereby the employee, regardless of hours worked in any specific week, receives 52 equal pay cheques calculated on the basis of a 40-hour week times his hourly wage rate. Under this plan the employee is overpaid in the slack season but repays the "loan" by working extra hours during the busy season.

In Canada most packing plants have adopted a guaranteed wage plan on a weekly basis. A minimum of $37\frac{1}{2}$ hours per week, or pay in lieu of work, is guaranteed to each regular employee. Part-time employees and casual workers do not come under the plan. Absence for personal reasons is excluded. The plan is of considerable importance in providing income security for the workers.

To summarize, seasonal variations of employment in the meat products industry originate from the fluctuating supply of livestock which reaches the market throughout the year. There is evidence that farmers are feeding a larger proportion of their livestock throughout the winter months so that it can be marketed in the spring. To the extent that this does occur, the concentration of marketing during the autumn months will be diminished and employment in the meat-packing industry will become more uniform. In addition, the development of new products and services by the industry itself has had some effect in reducing seasonality of employment. The adoption, too, of a guaranteed weekly wage plan by some meat-packing plants in Canada has provided some income security for regular workers in the industry. Such plans, of course, have done little to stabilize the income of employees who are hired only temporarily during the rush season.

CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

Although total employment is at, or near, its seasonal low chiefly because agriculture is in a state of inactivity, most other industry groups, especially manufacturing, are very active. Total employment was at a higher level than in February of last year and the seasonal trough was not of the same magnitude as that experienced in pre-war winter months.

MANUFACTURING.....

Estimated employment (March 1).....1,228,000

Manufacturing employment in February was at a level approximately 3 per cent above that for the same period in 1947. Unfilled vacancies registered with N.E.S. numbered only 12,021 as compared with 26,000 a year ago; this substantial drop was attributed largely to the decrease in labour turnover rates which has resulted from a greater degree of stability in the labour force.

Skilled labour is still in short supply and this factor has retarded growth in some industries. This condition, however, is gradually easing as workers on new jobs gain experience and achieve a reasonable amount of proficiency. The skilled labour group is being further strengthened by the immigration of trained industrial workers, mostly from Great Britain. In addition, vocational training is assisting many Canadian workers to move into skilled labour classifications. As at February 1, some 6,266 persons were undergoing training, either in industrial establishments or at Canadian Vocational Training Schools, and while a percentage of these will move into the building trades, the majority will enter one or another of the manufacturing industries.

This shortage of skilled labour continues in evidence as new manufacturing establishments coming into operation sustain the demand for competent workers. Capital investment in 1948 in new plants and plant extensions will probably equal or exceed that for 1947 and, as a result, the high demand for labour should continue throughout the remainder of this year.

As at January 1, hourly earnings for all manufacturing production workers averaged 86.6 cents, an increase of 27.5 per cent over the January 1, 1946 figure of 67.9 cents. In the durable goods, or heavy industries group, the average was 92.9 cents as compared with 80.1 for non-durable goods or light industries. The latter figure represents an increase of 29.8 per cent since the beginning of 1946, a somewhat greater gain than the 24.4 per cent in durable goods wages. The upward trend of manufacturing wages is still in evidence, but it is interesting to note that the wage differential between these two principal groups has narrowed considerably on a percentage basis, although the absolute difference is still about the same.

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE - 1939 = 100)

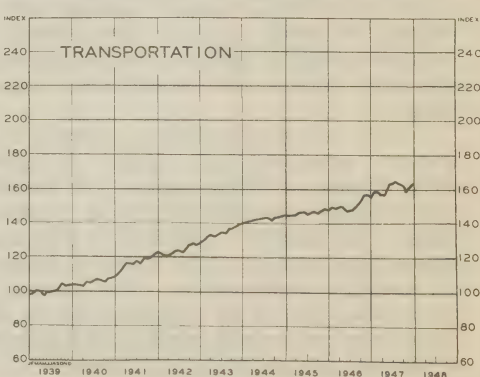
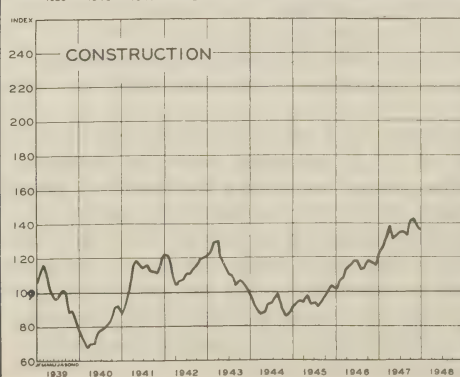
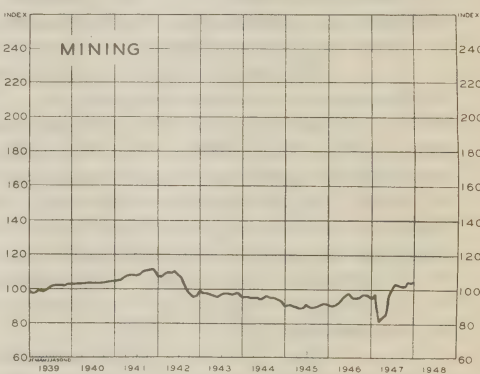
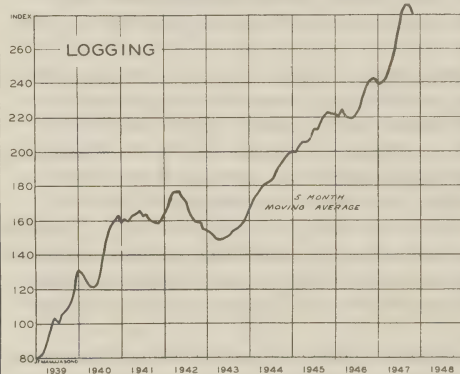
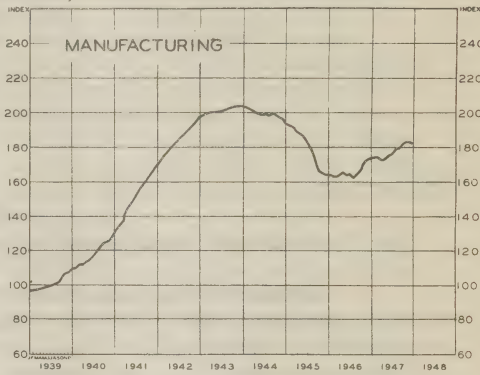
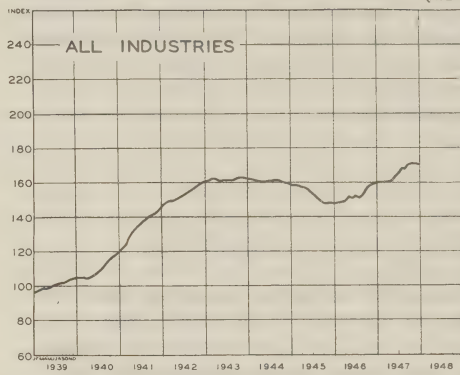


Table I--Average Hourly Wages in Manufacturing

(Source: D.B.S.--Average Hourly Earnings Bulletin - January, 1948)

Group	Cents per Hour			% Change 1946-1948
	January 1, 1946	January 1, 1947	January 1, 1948	
All Manufacturing	67.9	76.3	86.6	27.5
Durable Goods	74.7	83.3	92.9	24.4
Non-durable Goods.....	61.7	69.4	80.1	29.8

Labour Relations

Although a few strikes occurred during February, these were of relatively minor importance; they were mostly in small plants and there was no concentration in any particular geographic area or manufacturing industry.

The principal industrial work stoppages during the month were as follows:

Rogers Majestic Limited, Leaside, Ontario--When a satisfactory agreement was not reached, 700 employees went on strike on February 2. They demanded a 15-cent-an-hour increase with the right to re-open wage talks after a six month period. On February 28, the workers agreed to return to their jobs for 15 days while negotiations were continuing.

John Bertram and Sons, Dundas, Ontario--Some 400 machinists struck on February 2 for an hourly wage increase of 25 cents, having rejected the Company's offer of 10 cents. No settlement had been reached by the end of the month.

Numerous employers entered into formal negotiations with the unions representing their respective employee groups and a number of agreements were concluded during the month. Substantial wage increases were granted in practically every case and the "open-end wage clause" was incorporated in several of the new contracts.

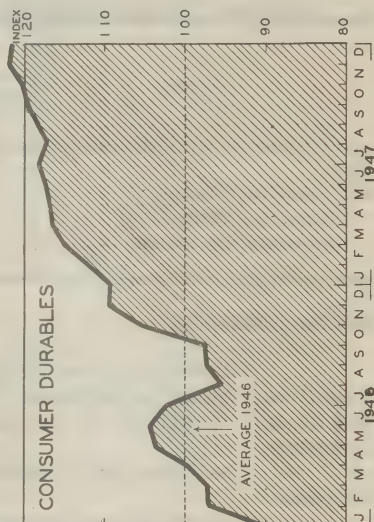
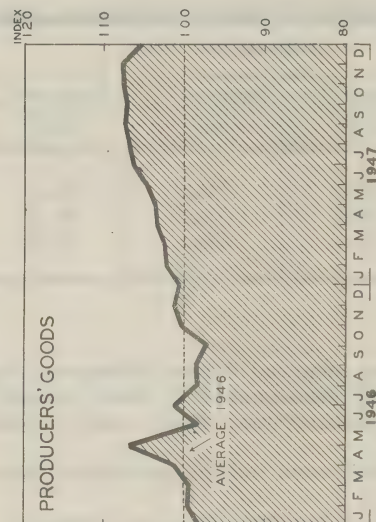
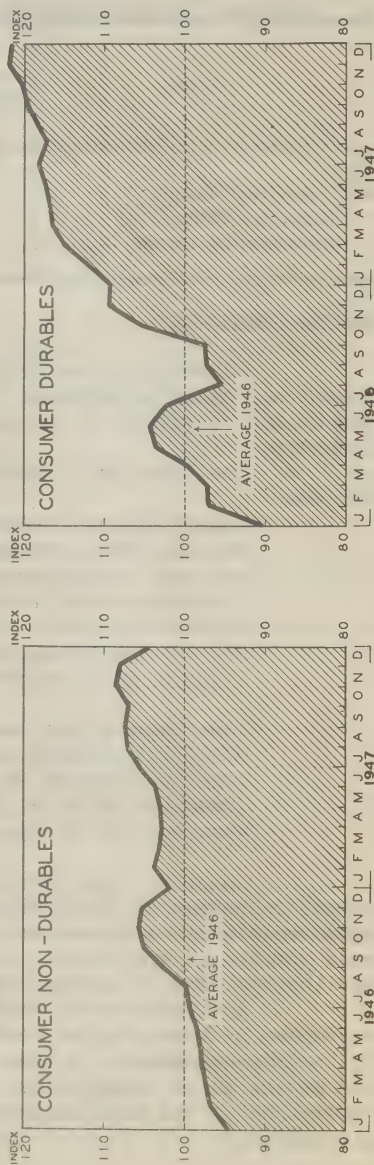
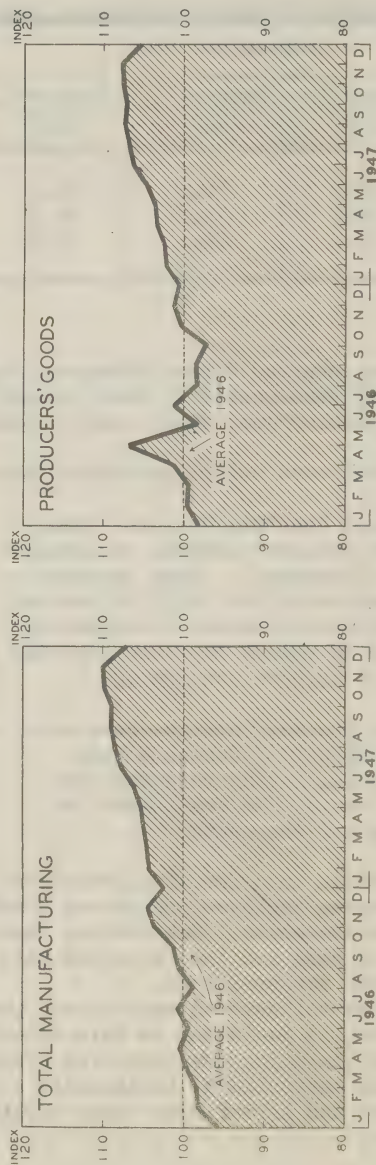
Indications are that the third-round wage drive, previously announced by labour union leaders, is beginning to gain momentum. Collective agreements in some of the major manufacturing groups (pulp and paper, steel automobiles, and agricultural implements) are nearing renewal dates and both management and labour have begun preliminary discussions.

EMPLOYMENT TRENDS

MAJOR MANUFACTURING INDUSTRIAL GROUPS

(INDUSTRIES GROUPED ACCORDING TO GENERAL USE OF PRODUCTS)

1946 — 1947



SERVICES.....

Estimated employment (March 1).....840,000

Since unfilled vacancies in the Services industry numbered 7,867 (2,094 male and 5,773 female) as at January 20 of this year, demand for help still exceeds, by a considerable margin, the supply of persons willing to enter occupations in this category. However, recent reports indicate that female applicants are showing greater willingness to enter domestic service. Displaced Persons are expected to further augment the labour supply.

Hotels and restaurants report a drop in labour turnover and consequently are having less difficulty in maintaining staffs at desirable levels. Wages in this type of work are low when compared to other industries. The average hourly earning at January 1 was 54.4 cents. This group lags far behind most others; the average hourly wage has risen only 6.04 per cent during the past two years.

The average hourly wage in Personal Service (chiefly laundries and dry cleaning establishments), which was the same as that for Hotels and Restaurants in 1946, now has risen some 15.0 per cent to 59.1 cents. Employment in this industry has fallen off to some extent during the off-season in the winter months.

TRANSPORTATION and COMMUNICATIONS.....

Estimated employment (March 1).....360,000

The communications group shows little tendency to fluctuate seasonally, and employment remains stable apart from the moderate amount of cyclical and secular growth which is currently taking place.

In transportation, seasonal inactivity in Great Lakes shipping has caused employment to drop off to some extent. At present, 1,290 employees of three shipping lines (Canada Steamships, Sarnia Steamships and Colonial Steamships) are negotiating with their respective companies over the 1948 labour agreement. A federal conciliation board has been appointed to investigate the matter. Employees have requested a \$36.00 per month pay increase along with a 40-hour work week.

Some 750 engineers and radio officers on 150 deep sea ships in both Halifax and Vancouver struck on March 2, causing practically every ship in these two ports to be tied up.

Railway employment continues at a high level although a moderate seasonal decline was in evidence during the winter months. Employers and employees have not yet reached an agreement over union demands for a 35-cent-an-hour wage increase which would affect some 150,000 workers in five railroad companies. A federal conciliation board has been appointed to investigate this dispute.

TRADE.....

Estimated employment (March 1).....675,000

The customary pre-Easter seasonal upswing in retail trade began in February. While dollar volume of sales continues at a higher level, physical volume is comparable to last year and there is little need for further expansion in the labour force. Employers report suitable help is not as difficult to find as last year and that labour turnover shows signs of decreasing. Consumer purchasing power remains strong although buyers are showing more selective tendencies. Wholesale trade continues in a very active state.

LOGGING.....

Estimated employment (March 1).....140,000

Cutting of pulp logs in Eastern Canada (Manitoba and East) was completed ahead of schedule in most cases; consequently, the usual seasonal drop in woods employment began early in February. This somewhat earlier than normal cessation of logging activities caused a shift of woods labour to nearby northern Ontario and Quebec mining areas. In most instances, employers report that Displaced Persons in the logging camps have proved themselves capable workers. Higher employment during the hauling and loading stages, as well as during the spring log drive, will result from the increased volume of logs.

In British Columbia, logging operations have continued in a fairly stable state, with employment running about 13 per cent above that for the same period a year ago.

The union representing employees in this industry has requested employers to enter into immediate negotiations with wage increases and adjustments as the principal issues.

MINING.....

Estimated employment (March 1).....67,000

For the first time since pre-war years, northern Ontario and northern Quebec mines have reported a surplus of labour. This easing of the labour situation has been partially due to the arrival of Displaced Persons who have accepted mining employment. Substantial numbers of woods workers, released some weeks earlier than had been anticipated, also increased the supply of mining labour. Although some of these men will remain in mining employment, the vast majority will move on to other occupations (principally to agriculture) when the warm weather arrives. However, it must be taken into account that labour requirements were lower this year than last because of the power shortage which has been forcing mine operators to reduce operations as a means of conserving power. With operations curtailed, mines

have either cut down staff or delayed contemplated expansions. The present surplus of workers, then, must be considered as purely temporary.

Applications for Displaced Persons are numerous from Ontario and Quebec gold mines. Some 400 D.P.'s are already at work in the mines, with the balance of the 2,300 authorized by government authority scheduled to arrive during the next six months. Further increases in the labour supply for Canadian metal mines will thus be apparent in the near future. Certain types of skilled labour are still in short supply.

Wages in this industry have increased substantially since the beginning of 1946, although the percentage change is not as high as in the manufacturing group.

Table II--Average Hourly Earnings in Mining

(Source: D.B.S.--Average Hourly Earnings Bulletin--January, 1948)

Group	Cents per Hour			% Change 1946-1948
	January 1, 1946	January 1, 1947	January 1, 1948	
Coal	106.0	111.9	115.3	8.8
Metallic ores	95.0	104.4	104.3	9.8
Non-metallic minerals (Other than coal)	74.0	84.6	86.4	16.8

A partial settlement was reached in the month-old strike of some 9,000 coal miners in Alberta and British Columbia on February 17, when all but 1,700 miners in the Vancouver and Edmonton areas returned to work. Settlement was effected on the basis of a \$2.00 per day wage increase along with certain other concessions. The few operators whose miners are still on strike stated that they were not in a position to grant such an increase. A conciliation board has been appointed.

The Dominion Steel and Coal Corporation was the largest of the Nova Scotia and New Brunswick mines which signed an agreement on February 17 with the United Mine Workers of America. Under the terms of this agreement, some 13,000 Maritime miners will receive an across-the-board increase of 40 cents per day.

CONSTRUCTION.....

Estimated employment (March 1).....217,000

The construction industry remains in a very active state. Although a seasonal decrease in employment occurred during the early part of the winter, its amplitude was moderate when compared to pre-war patterns. Since the post-war capital expansion program is still in progress, construction employment during the winter months has been sustained at a high

level.. As spring approaches, a seasonal upswing in employment will be in evidence. Estimates for this year indicate the dollar value of construction will equal or surpass that for 1947; hence, a year of full employment is foreseen for this industry.

The supply of labour, particularly in the skilled categories, has been far from adequate, but immigration of Displaced Persons together with trainees from vocational training schools should alleviate this situation to some extent.

Since construction workers have been receiving reasonably high wages (average hourly wages at January 1, 1948, were 96.8 cents), employer-employee relations have been generally satisfactory. At the present time A.F. of L. Unions representing some 15,000 construction workers in the Montreal area are negotiating with employers for a 30-cent-an-hour increase.

RECENT WAGE CHANGES

The wage change announcements which appear in the following u u pages were made during the month of February, (1) The increases ranged from 3 to 26 cents per hour and applied to some 33,000 persons as compared to 2½ to 17 cents per hour for the 22,000 persons tabled in the January issue of the Canadian Labour Market. The general wage increase was somewhat higher than that reported last month, 28 per cent. These received hourly increases approximating 26 cents. These higher gains were confined to the mining industry.

The rapidly rising cost of living during the last few months has set the stage for an unusually active year in the field of wage changes, both as straight hourly increases and as cost-of-living bonuses. In addition, it is expected that the recently introduced open-end wage clause being written into many agreements, will increase the number of wage negotiations during the year.

The most noteworthy wage change during February was the result of the partial settlement of long negotiations within the Canadian coal mining industry. In the Maritime Region, the gain of 40¢ per day for some 12,500 miners was accomplished without loss of time; these peaceful negotiations were in marked contrast to the prolonged strike in 1947. On the other hand, 7,300 of the 9,000 miners in western Canada arrived at a satisfactory conclusion in their negotiations only after a 38-day strike. Negotiations are still going on between coal miners and operators in the Vancouver and Edmonton areas; these companies claim they would be unable to continue operations if they settled for the same terms as those in other areas.

The wage increases tabled during February pointed to a pattern of joint settlements covering industries or trades in stated localities. Such agreements were negotiated for workers in dress manufacturing establishments in Toronto, for paint and varnish company employees in Montreal, and for coal miners across Canada.

Leaders of various large union groups have announced they will press for further wage increases to meet the rise in living costs when their present contracts expire; preliminary talks have taken place among workers in the automobile industry, electrical and woods workers, and Ontario gold miners. Negotiations are now underway in three large steel firms, five railway companies, and deepsea cargo shipping companies on the East and West coasts.

(1) The announcements were obtained from press clippings, trade journals, union newspapers and magazines, narrative reports from managers of local National Employment Service offices, narrative reports from the field interviewers of the Employment Forecast Survey carried out by this Branch, and any other available sources. The listing contains most of the major wage announcements, and indicates the pattern that is being followed in most industries. All items in this listing are confined to wage earning employees.

Wage Increase Announcements, February, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hourly earnings 103.2)			
<u>Coal Mining:</u> (Av. hourly earnings 111.9)			
Dominion Coal Co., Sydney, N.S.	40¢ per day	Feb. 1/48	6,690
Cumberland Rlwy. & Coal Co., Sydney, N.S.	"	"	1,200
Old Sydney Collieries, Trenton, N.S.	"	"	1,420
Acadia Coal Co., Stellarton, N.S.	"	"	1,140
Other Operators in N.S. & N.B.	"	"	2,000
West Can. Collieries, Blairmore, Alta.	\$2 per day	Dec. 3/47	985
Brazeau Collieries, Nordegg, Alta.	"	"	335
Canmore Mines, Canmore, Alta.	"	"	295
International Coal & Coke, Coleman, Alta.	"	"	510
Hillcrest-Mohawk Collieries, Bellevue, Alta.	"	"	395
McGillivray Creek Coal, Coleman, Alta.	"	"	295
Lethbridge Collieries, Lethbridge, Alta.	"	"	430
McLeod River Hard Coal, Mercoal, Alta.	"	"	665
Crow's Nest Pass Coal, Fernie, B.C.	"	"	815
Other Operators in Alberta	"	"	2,565
<u>Non-metallic Minerals</u> (except Coal): (Av. hourly earnings 84.7)			
Asbestos Corp. Ltd., Thetford Mines, P.Q.	26¢ per hr.	Feb. 1/48	1,780
Johnston's Company, " " "	"	"	145
Flintkote Mines Ltd., " " "	"	"	130
<u>MANUFACTURING</u> (Av. hourly earnings 85.5)			
<u>Furniture:</u> (Av. hourly earnings 75.2)			
Canadian Upholstering Co., Montreal, P.Q.	7¢ per hr.	May 1/48	20
Chesterfield & Furniture Co., " "	10¢ per hr.	"	45
Comfort Upholstering Co., " "	"	"	25
<u>Rubber Products:</u> (Av. hourly earnings 91.3)			
Joseph Stokes Rubber Co., Welland, Ont.	5-7 ¹ / ₂ ¢ per hr.	Jan. 19/48	355
<u>Cotton, Yarn & Cloth:</u> (Av. hourly earnings 66.2)			
Cosmos-Imperial Mills Ltd., Yarmouth, N.S.	3¢ per hr.	Feb. 20/48	500
<u>Woollen, Yarn & Cloth:</u> (Av. hourly earnings 66.4)			
Guelph Carpet & Worsted Spinning Mills, Guelph, Ont.	9¢ per hr.	Feb. 14/48	145
Riverdale Woollen Mills, Inglewood, Ont.	13¢ per hr.	Jan. 31/48	30
Monarch Knitting Co., Toronto, Ont.	10¢ per hr.	Feb. 1/48	600
St. Catharines, Ont.	"	"	200
St. Thomas, Ont.	"	"	140
Dunnville, Ont.	"	"	405

Wage Increase Announcements (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Cont'd)			
<u>Silk & Artificial Silk Goods:</u>			
(Av. hourly earnings 66.4)			
Grout's Limited, St. Catharines, Ont.	20¢ per hr.	Feb. 27/48	190
<u>Hosiery & Knit Goods:</u>			
(Av. hourly earnings 61.4)			
Jantzen Knitting Mills of Can., Vancouver, B.C.	12 $\frac{1}{2}$ ¢ per hr.	Jan. 27/48	110
<u>Garments & Personal Furnishings:</u>			
(Av. hourly earnings 66.9)			
Cotton Frocks Inc., Hawkesbury, Ont.	12¢ per hr.	Jan. 19/48	65
Thos. Allan & Son Shirt Co., Hamilton, Ont.	7 $\frac{1}{2}$ ¢ per hr.	Feb. 17/48	50
Toronto Dress Manufacturers' Guild, Toronto, Ont.	8%	Oct. 27/47	1,000
<u>Chemicals & Allied Products:</u>			
(Av. hourly earnings 85.6)			
Brandram-Henderson Ltd., Montreal, P.Q.	4¢ per hr.	Feb. 9/48	330
International Paints (Can.), " "	"	"	210
Thorp-Hambrook Ltd., " "	"	"	180
Mount Royal Color & Varnish Ltd., Montreal, P.Q.	"	"	20
Conant Co. Ltd., " "	"	"	30
Dominion Linseed Oil Ltd., " "	"	"	40
<u>Clay, Glass & Stone Products:</u>			
(Av. hourly earnings 84.0)			
Canada Vitrified Products Ltd., St. Thomas, Ont.	8¢ per hr.	Feb. 1/48	30
Ontario Marble Works, Peterborough, Ont.	15¢ per hr.	Jan. 21/48	25
<u>Electrical Apparatus:</u>			
(Av. hourly earnings 92.0)			
Universal Cooler Co. of Can. Ltd., Brantford, Ont.	5¢ per hr.	Jan. 23/48	195
<u>Crude, Roller & Forged Products:</u>			
(Av. hourly earnings 99.5)			
Anglo-Canadian Wire Rope Co., Montreal, P.Q.	12¢ per hr.	Feb. 2/48	75
Dominion Wire Rope & Cable Co., " "	"	"	100
<u>Railway Rolling Stock:</u>			
(Av. hourly earnings 95.9)			
Eastern Car Co. Ltd., Trenton, N.S.	5¢ per hr.	Jan. 1/48	1,285
Trenton Steel Works Ltd., " "	"	"	110
Trenton Industries, " "	"	"	500

Wage Increase Announcements (Concl'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Cont'd)			
<u>Steel Shipbuilding & Repairing:</u> (Av. hourly earnings 97.7) Halifax Shipyards Ltd., Halifax & Dartmouth, N.S.	8¢ per hr.	Jan. 2/48	1,860
<u>Preparation of Non-Ferrous Metallic Ores:</u> (Av. hourly earnings 103.1) Hudson Bay Mining & Smelting Co. Ltd., Flin Flon, Man.	10% cost-of-living.	Jan. 1/48	2,450

REGIONAL ANALYSIS

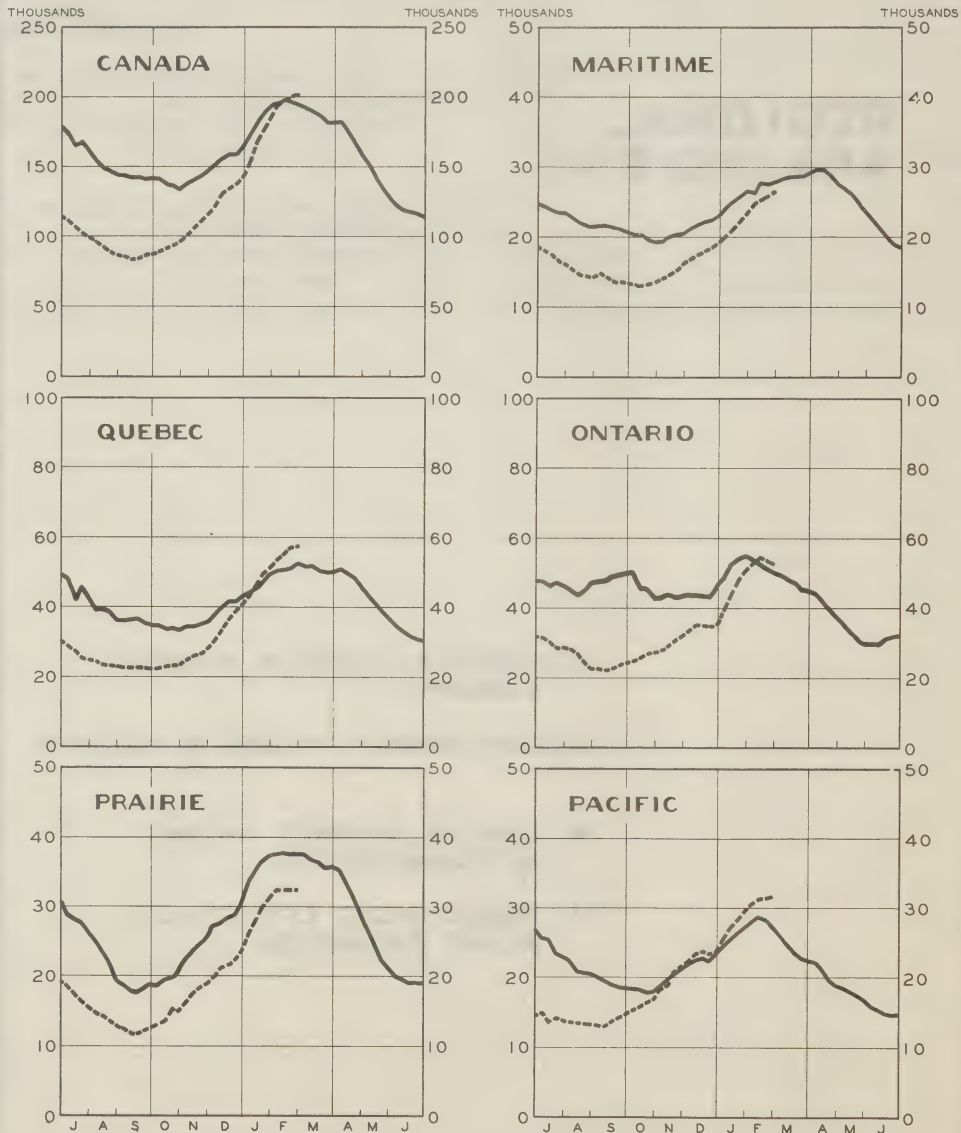
- ▲ REGIONAL LABOUR MARKET
SUMMARY
- ▲ EMPLOYMENT TRENDS IN HALIFAX
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF
PLANT EXPANSION

REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

[JULY 1946 - JULY 1947] [JULY 1947 TO DATE]



REGIONAL LABOUR MARKET SUMMARY

This section presents a survey of the manpower situation in the five Canadian regional economies during the month of February. The peak number of unplaced applicants in Canada was reached at the end of the month. The turning-point in Ontario occurred a few weeks earlier, while in the Prairies the downtrend began at the same time as in Canada as a whole. The downtrend in Quebec will probably begin in early March. In the Maritimes and British Columbia, however, there is still a rise in the number of applicants, although the average rate of increase was lower in February than it was the month before.

The Maritimes

The number of unplaced applicants in the Maritimes, which increased by 3,100 during February, is quickly approaching last year's level. This increase can be attributed in part to the drop in employment in the logging industry. At present, the demand for woods workers is almost non-existent; there have been layoffs in the pulpwood logging camps, and numerous transient woods workers are looking for jobs of any kind. There is little hope of employing these men until the seasonal upswing in farm work and construction work in April.

Employment in the logging industry reached a peak near the beginning of December, two months earlier than last year. Perfect weather conditions in the fall, and a more ample supply of labour than during the war years, had permitted an earlier than usual start in pulpwood logging. Labour turnover was markedly lower, and work proceeded at a fast pace, so that, by the end of February, cutting and hauling operations were largely completed. Layoffs of pulpwood cutters were due, therefore, not to a curtailment of the year's cut, but to the winter's cut being ahead of schedule.

On the other hand, loss of the United Kingdom market has had a marked effect on the lumber industry. Lumber operations are reported to have fallen 50 per cent below last year. Since many of the smaller operators have cut down or suspended their activities, the number of orders for woodsmen fell very much below last year's level. Nearly all local offices of the N.E.S. reported a surplus of experienced woodsmen.

British Government contracts for buying spruce from the Maritimes expired December 31. The contracts were not renewed, but, at the end of February, arrangements were completed to sell 60 million board feet to the United Kingdom - a considerable reduction from the 400 million feet sold in 1947. The seriousness of the reduction lies in the fact that over 60 per cent of Maritime lumber exports have been to the United Kingdom. Only if more dollars are available to the British for purchases in Canada, will there be any hope of an additional contract. Some of the larger operators expect renewed activity if the Marshall Plan is put into effect. But in the meantime, until other markets have been established, small operators will be forced out of business and employment will decline.

Quebec

The year's peak in the number of unplaced applicants in the region will probably be passed in the first part of March. A rise of about 6,000 in the number of male applicants took place in February, but the number of female applicants showed little change. Most of the increase in applicants occurred in the first half of the month, and was due, in large part, to the early completion of the season's log cut. Employment and labour demand in other industries has remained much as they were during January.

Applicants were more numerous at the end of the month than at the end of February, 1947, with the increase in the number of women applying for work slightly greater, proportionately, than in the number of men. Women made up 20 per cent of the applicants, as against 18 per cent last year.

But the most noticeable change in N.E.S. statistics for Quebec is the drop in unfilled vacancies. Vacancies at the end of February this year, were only a third of what they were last year. The drop is largely accounted for by the early finish of woods operations and the consequent decrease in labour demand from the logging industry, as well as by the lull in retail trade, and in the boot and shoe, tobacco, and secondary textile industries.

Vacancies for women were less than half what they were at the end of February, 1947. Slightly over half the decrease was in the number of orders for labour from the textile industry, where a marked drop in labour turnover has resulted in fewer staff replacements. The secondary textile industry, in particular, has been hesitant in adding to staff, since sales are not as lively as they have been. In addition, supplies of textile materials have been affected, to a certain extent, by the new import restrictions.

Ontario

The downward trend in the number of unplaced applicants in Ontario commenced in February, even though the number of applicants at the end of the month was higher than it was at the beginning. The year's peak was reached by February 12, when 57,000 applicants were registered with N.E.S. Power shortages in various parts of the region, together with the usual seasonally low labour demand, caused a higher level of applicants than at the end of February last year.

The gas shortage in southwestern Ontario, which resulted in the temporary lay-off of many workers from industrial plants in Windsor, London, Niagara Falls, as well as in smaller cities and towns in the region, was largely responsible for the great increase in the number of unplaced applicants in Ontario during the first two weeks of February. At the height of the layoffs some 25,000 workers were reported idle. In addition, the number of unfilled vacancies on N.E.S. files declined drastically as employers cancelled their orders for labour until production could be resumed. The situation was most acute in the Windsor area, where about 11,500 auto workers registered as unemployed.

The shortage of gas was caused by a prolonged period of cold weather when domestic consumption increased inordinately. A gas rationing system that restricted domestic users to their daily average consumption during December, 1947, was put into effect on February 12. With this enforced reduction of domestic demand and the coming of milder weather, the flow of gas to industry was resumed in most areas by February 17, and workers were back on the job by Monday, February 23.

Drastic electric power shortages occurred throughout southern Ontario during the latter part of the month when existing equipment could not provide sufficient electricity to meet the heavy industrial load. Toronto, Hamilton, London, Kitchener, Brantford, and Windsor were among the cities affected. Although much inconvenience was caused, the effect of the shortage on employment in manufacturing was not great. Most plants were able to maintain employment with a rearrangement of shifts and various other schemes to save electricity. Hiring was stopped, however, until normal working hours and full production could be resumed.

Employment in the mining industry was affected by a power shortage in northern Ontario. Low water conditions forced mines to reduce the amount of electricity consumed and to defer expansion of production for one or two months, until spring freshets should restore water levels.

The Prairies

The number of unplaced applicants reached its seasonal height at the end of February. A small decrease in the number of women applicants brought about the downward movement. The decrease in male applicants usually begins in March and gains momentum in April as work commences in agriculture and construction.

Some farmers are already placing orders for workers needed in early April. However, with woods workers turning to farm labour after the end of logging operations and the return from the Pacific region of numerous farm workers who move there for the winter, there should be sufficient labour for the coming season.

The logging season in the Prairies has been somewhat later than the season in Eastern Canada. Cutting has finished in many districts and hauling is the chief operation. Labour is plentiful, on the whole, and labour turnover in the camps has decreased greatly. However, possibly because of the later season, more logging industry vacancies are on file with N. E. S. than in any other region in Canada.

The coal mining strike was over at a majority of the mines in Alberta by February 20. Granting of a \$2.00 a day increase was fairly general.

The meat packing industry is seasonally slack-small layoffs have occurred throughout the region. Except for staff replacements, no labour is needed in the flour milling industry. Manufacturing of lumber and lumber products is active, but labour needs are not extensive.

There has been little change as yet in the construction industry. Reports from most areas in the region look forward to a large volume of work in the coming season, but the upturn in demand for construction workers will not be until April.

British Columbia

Although the total of unplaced applicants increased by about 2,000 during February, the number of new applications for work has decreased. The winter movement of unemployed to the Pacific Region has finished and the outward movement should begin in March. This will help to reduce the total of applicants.

Layoffs in shingle mills as a result of a request to suspend delivery of high-grade shingles to the Southern States will create some temporary unemployment. About sixteen mills ceased operations for a two-week period in February. Other mills are expected to follow suit in March, with about 3,500 workers affected. However, since the domestic market for high-grade shingles has been strong and should improve as the construction season gets underway, employment in the industry will not be seriously curtailed.

Logging was inactive during the month. Heavy snowfalls resulted in a continuation of the logging camp closures. Loggers who have been laid off are registering for unemployment insurance.

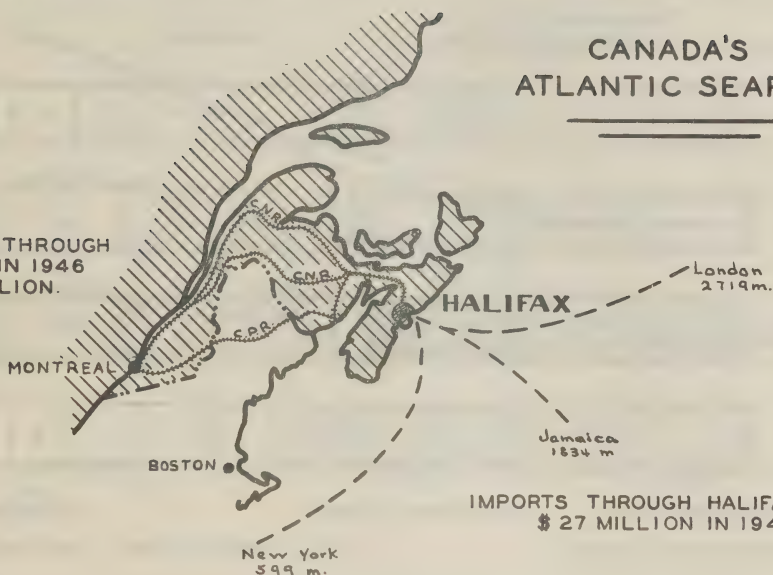
Base metal mines have been slowly increasing employment. Some labour replacements will be necessary in March when agricultural workers leave for the spring farm work. Only a few experienced men are needed in gold quartz mining, but placer operations will need a large work force this coming season.

The future of employment in the steel shipyards is not promising. None of the yards has been successful in obtaining contracts for new construction since they cannot guarantee delivery because of the steel situation, or even a final price because of the steadily increasing wage rates for shipyard labour. Work underway should be completed in the next six months and unless the yards can obtain contracts they will be dependent on repair work.

HALIFAX, N.S.

CANADA'S ATLANTIC SEAPORT

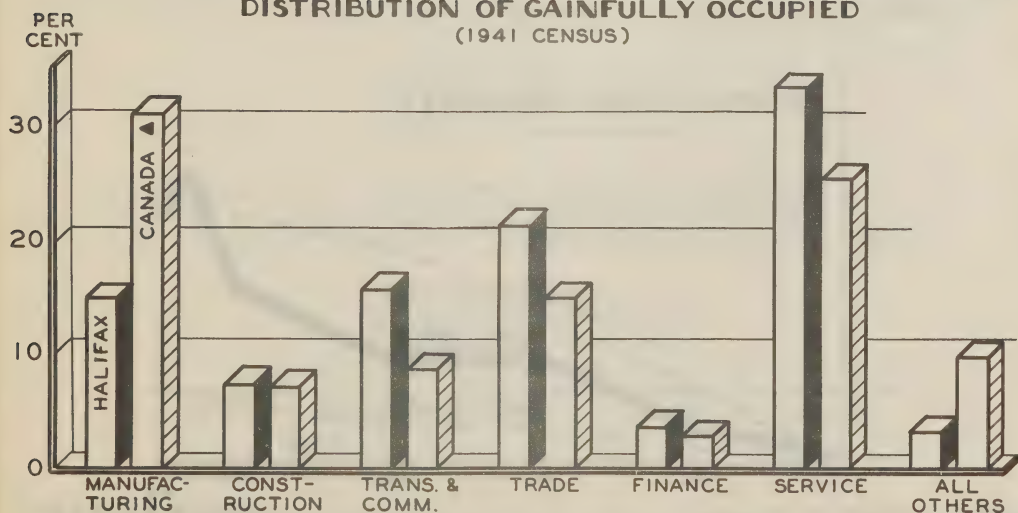
EXPORTS THROUGH
HALIFAX IN 1946
\$151 MILLION.



IMPORTS THROUGH HALIFAX
\$27 MILLION IN 1946.

AS A SEAPORT, HALIFAX PROVIDES MORE SERVICES
THAN GOODS.

DISTRIBUTION OF GAINFULLY OCCUPIED (1941 CENSUS)



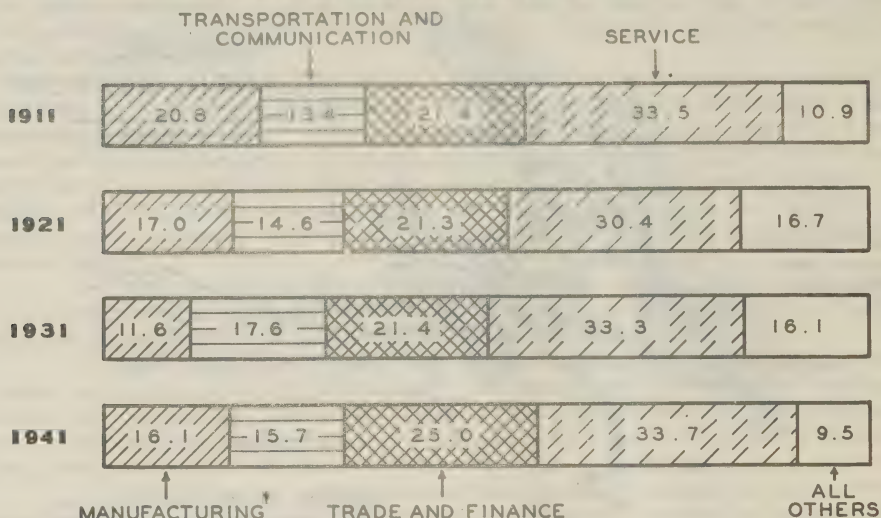
▲ PERCENTAGE OF NON-AGRICULTURAL EMPLOYMENT.

M. 4 - E. 1

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THE DECLINE IN THE PROPORTION OF PEOPLE IN HALIFAX EMPLOYED IN MANUFACTURING INDUSTRIES WAS INTERRUPTED BY THE WAR.

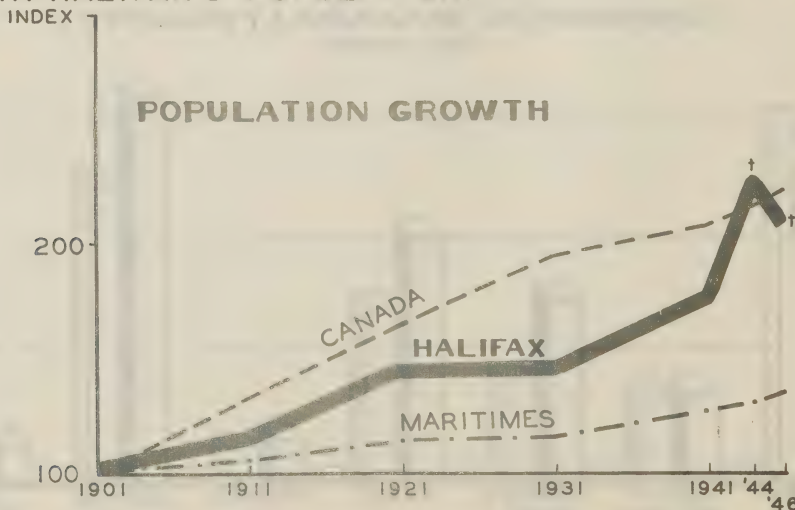
DISTRIBUTION OF GAINFULLY OCCUPIED IN HALIFAX



SOURCE: CENSUS OF CANADA

† INCLUDES ELECTRIC LIGHT AND POWER

THE NEED FOR WORKERS TO MANUFACTURE WAR GOODS AND TO HANDLE OVERSEAS SHIPMENTS CAUSED A RAPID EXPANSION IN HALIFAX'S POPULATION.



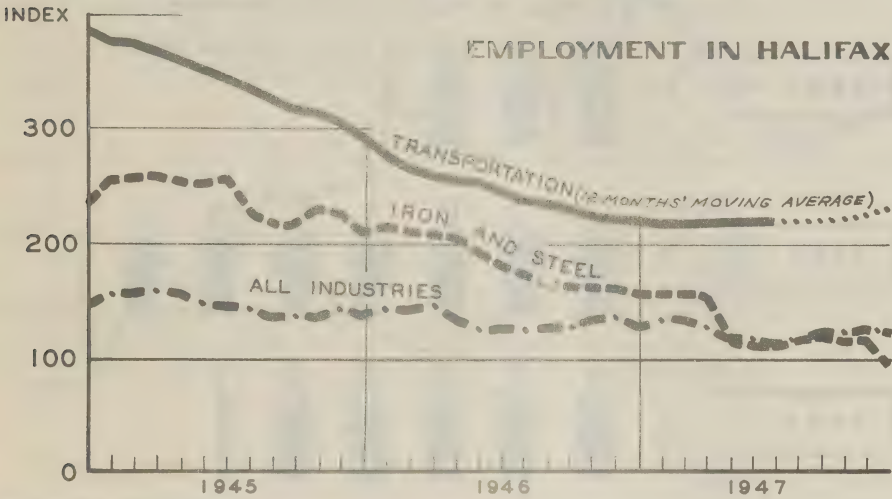
SOURCE: CENSUS OF CANADA

† ESTIMATED BY R. & S.

M.4 - E.2

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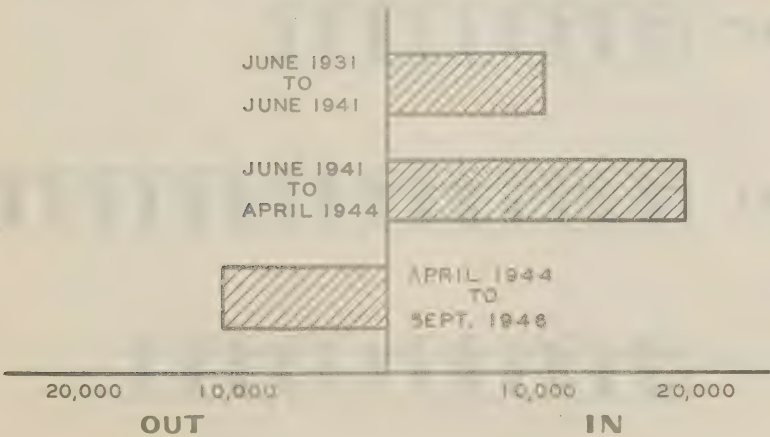
WHEN THE NEED FOR WAR GOODS AND SERVICES VANISHED, EMPLOYMENT DECLINED PRIMARILY IN THE TRANSPORTATION AND MANUFACTURING INDUSTRIES.



SOURCE: D.B.S.

MANY PEOPLE, WHO HAD MOVED TO HALIFAX DURING THE WAR, LEFT TO FIND EMPLOYMENT ELSEWHERE.

NET CHANGES IN POPULATION THROUGH MIGRATION

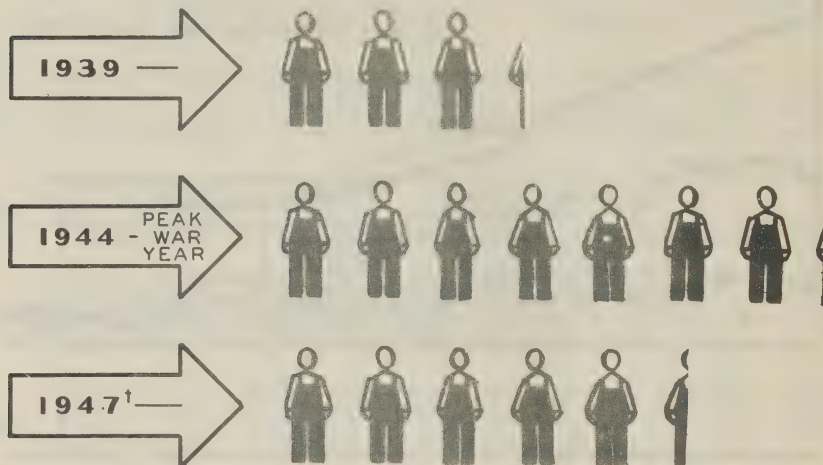


SOURCE: D. B. S.
M.4 - E.4

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UNDER THE STIMULUS OF THE DEMAND FOR WAR EQUIPMENT - ESPECIALLY FOR SHIPS - MANUFACTURING EMPLOYMENT IN HALIFAX INCREASED CONSIDERABLY.

MANUFACTURING EMPLOYMENT IN HALIFAX (EACH SYMBOL REPRESENTS 1,000 PERSONS)

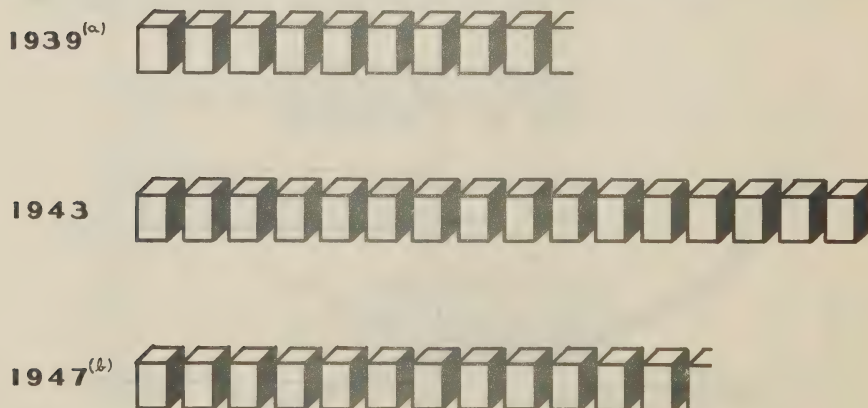


SOURCE: D.B.S. CENSUS OF INDUSTRY

† ESTIMATED BY R. & S.

-AND EMPLOYMENT IN THE TRANSPORTATION INDUSTRY ROSE, AS PORT ACTIVITY INCREASED.

CARGO TONNAGE HANDLED IN HALIFAX (EACH SYMBOL REPRESENTS 200,000 TONS)



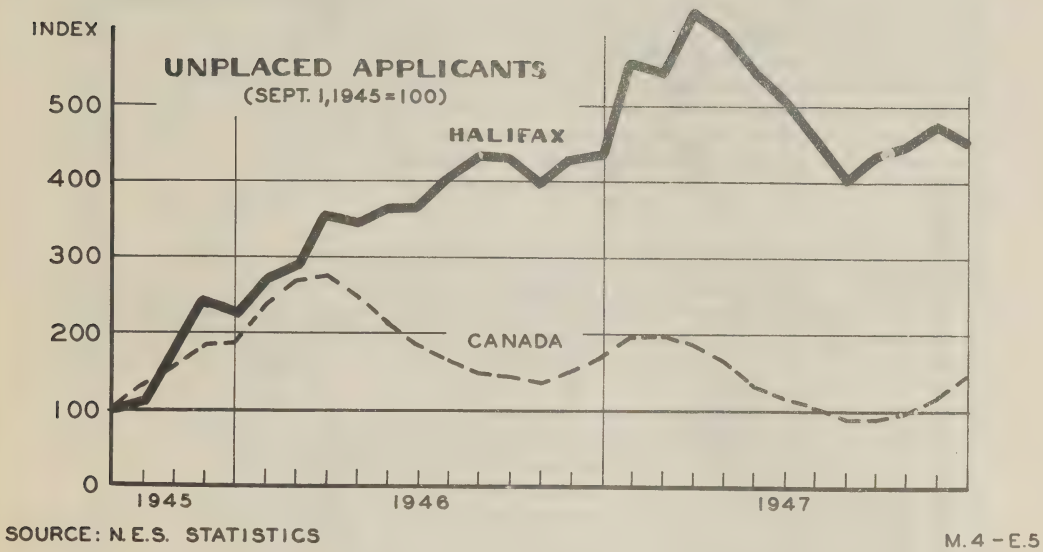
SOURCE: D. B. S.

(a) FISCAL YEAR ENDING MARCH 31, 1940
(b) PRELIMINARY

M.4 - E.3

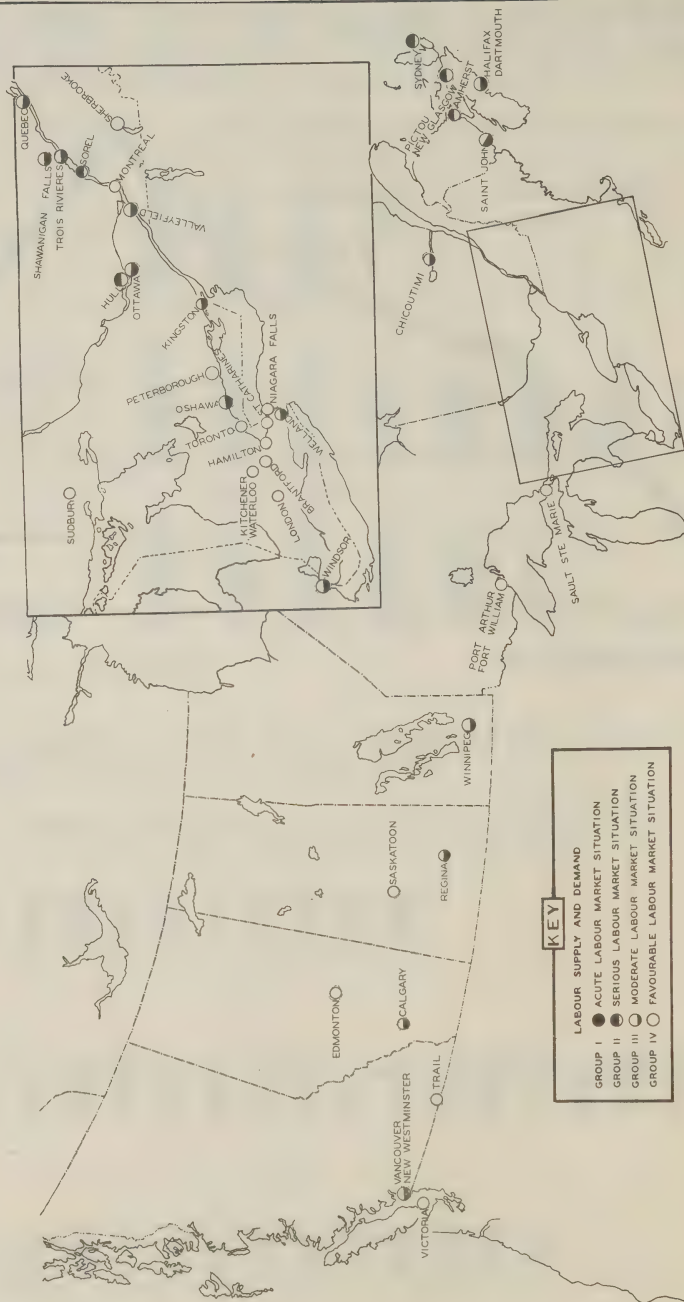
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BUT, FOR THE PEOPLE WHO STAYED, THERE WERE TOO FEW JOBS.



A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT FEBRUARY 1, 1948



LABOUR MARKET RATING OF COMMUNITIES

In the following table, 38 of the major labour market areas in Canada are classified according to the number of unplaced applicants registered with the National Employment Service in each. During the past year, there have been several changes in the group ratings of the 38 major labour market areas. Explanations of the most significant changes will be found in the following pages.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I --- Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II --- Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III --- Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV --- Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying labour market conditions as they are pictured by the local National Employment Service office. The ratings for October and November of 1947 are preliminary.

Table —Labour Market Rating of Communities

Note: The thirty-eight areas below are arranged in descending order within each group.

	Group Rating		
	February 1, 1948	January 1, 1948	February 1, 1947
<u>Population of 100,000 and over</u>			
Quebec	III	III	II
Vancouver	III	III	III
Windsor	III	III	III
Winnipeg	III	III	III
Ottawa	III	IV	III
Hamilton	IV	IV	III
Montreal	IV	IV	IV
Toronto	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney	II	II	II
Halifax	III	III	III
Saint John	III	III	III
Calgary	III	III	III
Regina	III	IV	III
Fort William - Port Arthur	IV	IV	III
Edmonton	IV	IV	III
London	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull	II	III	III
Oshawa	III	III	III
Three Rivers	III	III	III
Kingston	III	IV	IV
Saskatoon	IV	IV	III
St. Catharines	IV	IV	III
Victoria	IV	IV	IV
Brantford	IV	IV	IV
Peterborough	IV	IV	IV
Sherbrooke	IV	IV	IV
Sudbury	IV	IV	IV
Kitchener - Waterloo	IV	IV	IV
<u>Population of under 25,000</u>			
Sorel	II	II	III
New Glasgow - Pictou	II	II	I
Amherst	II	II	II
Valleyfield	III	III	III
Shawinigan Falls	III	III	III
Welland	III	IV	III
Chicoutimi	III	IV	III
Niagara Falls	IV	IV	IV
Trail	IV	IV	IV
Sault Ste. Marie	IV	IV	IV

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits if their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period, the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

Explanation of Changes in Rating of Selected Areas

During the past twelve months, there have been several changes in the labour market rating for certain areas. The reasons for some of these changes are outlined below.

Sorel

The alteration in the employment rating from February 1, 1947, to February 1, 1948, is primarily due to a recent lay-off of some 1,500 men from Marine Industries Ltd.

Material shortages are primarily responsible for the reduced production schedule in this industry. If materials had been plentiful it is probable a new high level of employment in Sorel would have been reached in this coming year. However, the reduced labour force for Marine Industries Limited, now set at about 2,000, will throw at least 1,000 men onto the labour market. Some men will be hired by this company

during 1948 but at present it is doubtful if last year's peak of 3,500 workers will be reached.

Nevertheless, the employment situation is not considered serious by the local employment office. Several hundred men will soon be required for construction work. Sorel Industries Limited may soon provide employment for about 200 men, the Canadian Celanese Corporation will be hiring about 400 women and 100 men in its new plant, and David and Frere Co. Ltd. will require about 75 women.

At the moment, employment prospects for male labour in 1948 appear to be less favourable than in 1947, but the level of unplaced applicants probably will show considerable improvement during the next few months.

Kingston

The employment situation in Kingston, designated as favourable one year ago, has deteriorated slightly during the past year. At February 1, 1948, the Kingston employment situation was classified as moderate. The following two factors were chiefly responsible for the change in classification: (1) Employment in railway rolling stock manufacturing showed a decline of 49 per cent between December 1, 1946 and December 1, 1947. (2) Shipbuilding employment also dropped during the past twelve months, although to a lesser degree.

A year ago employment at the Canadian Locomotive Company was almost double the December 1, 1947 figure. At that time the company was working on a contract for the French government which was completed in mid-July, 1947. During the ensuing months, the staff was gradually reduced to the present low level. Although in August, 1947, the Kingston Locomotive Company received a sizeable order for railway rolling stock from the Canadian National and Canadian Pacific Railways, there is a considerable time-lag between the ordering and delivering of necessary steel supplies, and it will be several months before work on the latter order will be fully underway. Employment is expected to equal the 1947 peak by June or July of this year.

The slight decline in shipbuilding during the past year may be attributed to a lack of basic steel supplies. This shortage of materials is holding up the construction of new ships as well as curtailing ship repairing work.

St. Catharines

Employment conditions improved considerably in this area between February 1, 1947, and the same date this year; reported employment figures show a gain of some 1,400 workers over the past year. Over 90 per cent of this gain occurred in manufacturing industries, where the automotive industry was the most active.

At February 1, 1946, there were 3,000 unplaced applicants registered with the local employment office; at the same date in 1947, there were 1,700, and by February 1, 1948, 1,600. Thus, although employment increased during 1947, the number of unplaced applicants remained about the same.

The local employment office reports that workers have been coming to this area from all parts of Canada and from abroad. Consequently, the increased labour supply during the past year has enabled employers to fill their labour requirements more easily than at any time since before the war. Orders for additional help have fallen off accordingly.

Prospects continue to be favourable for the continuance of a high level of employment in 1948. Local manufacturing firms have full production schedules; further employment will be provided by high activity in the construction industry.

Edmonton

The marked improvement in the labour market rating of this city during the past year is largely attributable to the growth of employment in the construction, trade, and service industries. However, since employment in the near-by agriculture and coal mining industries is currently not quite as high as it was last year, employment conditions in the general area around Edmonton would not show as marked an improvement during the past year as those in the city of Edmonton itself.

The agricultural industry in this area showed the effects of a generally poor crop year in 1947; many farmers and farm workers were looking for employment this winter. Since larger numbers of young men are now available for farm labour, some difficulty has been encountered in placing older men who are seeking work on farms.

The coal mining industry has been unsettled recently because of the strike which occurred during the latter part of January and most of the month of February, 1948. About 2,000 local miners were out on strike at the first of February, and by the end of the month approximately 600 men still were idle. At the same time, the mild winter this year has reduced the demand for coal; thus, fewer employment opportunities were available in this industry.

Increases in reported employment in the construction, trade, and service industries accounted for 78 per cent of the additional workers reported at December 1, 1947, compared to the same date in 1946. (Employment in local manufacturing industries as a whole showed very little change during the year.)

Employment conditions for 1948 will reflect the increased activities foreseen in the agricultural and coal mining industries. This development, together with the maintenance of operations in other industries, will sustain a continuing high level of employment.

Many new jobs have been provided by industrial developments in this area during the past year. One of the most significant of these was the opening of the new oil field at Leduc, just south of Edmonton. In addition, the Imperial Oil Company, Limited, is constructing an oil refinery at Edmonton which will provide regular jobs for about 100 employees as soon as it is completed.

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The following report gives some indication of the industrial expansion planned for 1948, both for new plants and for plant extensions. This information is listed by industry within each area and will be provided in similar table form from month to month in the Canadian Labour Market.

In 1947, a total of \$151 million was invested by manufacturing firms for new plant facilities. This was \$40 million more than was invested in 1946 and almost double the volume of capital investment in 1945.

With respect to the labour market, such capital investment represents an important addition to the number of jobs available. Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where the new industries are located.

In addition, industrial expansion has provided a further incentive for the construction of homes in the areas where it has occurred. In fact, this has been one of the factors taken into consideration when determining the extent to which government aid, in various forms, will be provided to alleviate serious shortages of housing.

For these reasons, therefore, a listing of all such capital expansion, whether it be a new plant, a plant extension, or the occupation of empty plant facilities, will be provided in this section of the Canadian Labour Market from month to month.

This information will be listed by industry within each area, and estimates will be given as to the probable date when the new plant extension, or present plant facility will come into operation. The type of expansion taking place will be denoted as follows: new plant -- N.P., plant extension -- P.E., and occupation of present plant facilities -- P.F.

A few of the many sources for this information are industrial publications, press clippings, narrative reports from National Employment Service offices, and reports from the field interviewers of the Employment Forecast Survey.

The table is not intended to provide a complete listing of all capital expansion, nor to suggest that the firms listed each month are representative of the decisions to build any plants or plant extensions in that particular month. Rather, the firms listed over several months may be considered as typical examples of more important expansion programs being carried out in various manufacturing industries during the year.

From time to time, the information listed will be summarized and an attempt will be made to analyze the extent of industrial expansion and its effect on local labour markets, keeping in mind other factors such as local housing conditions and local supplies of labour.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable Date of Construction Completion
Halifax, N.S.	Carbonated Beverages Sussex Ginger Ale Ltd.	N.P.	40	2nd Qtr., 1948
Newcastle, N.B.	Pulp and Paper Fraser Companies Ltd.	N.P.	200	4th Qtr., 1948
Deer Island, N.B.	Canning and Preserving Holmes Packing Corp.	N.P.	175	2nd Qtr., 1948
Sorel, P.Q.	Textiles Canadian Celanese Ltd.	N.P.	500	1st Qtr., 1948
Drummondville, P.Q.	Jewellery Pearl Glo Co. (Canada)	P.F.	200	1st Qtr., 1948
Gatineau, P.Q.	Chemicals Commercial Alcohols Ltd.	N.P.	50	4th Qtr., 1948
La Tuque, P.Q.	Textiles Cosmo Underwear Co.	N.P.	200	1st Qtr., 1948
	Plywood and Veneer Mills Northern Veneer & Plywood Co.	N.P.	50	2nd Qtr., 1948
Levis, P.Q.	Textiles Kennebec Knitting Mills Limited	P.F.	125	1st Qtr., 1948
St. Hyacinthe, P.Q.	Rubber Products Acton Rubber Co. Ltd.	P.E.	100	4th Qtr., 1948
Ste. Therese, P.Q.	Furniture (metal) North East Industries	P.F.	40	1st Qtr., 1948
London, Ont.	Bakery Products McCormick's Manufacturing Co.	P.E.	100	2nd Qtr., 1948
Niagara Falls, Ont.	Electrical Apparatus Vendall Ltd.	N.P.	50	2nd Qtr., 1948
Toronto, Ont.	Rubber Products Goodyear Tire & Rubber Co.	N.P.	40	1st Qtr., 1948
	Printing and Publishing MacLean-Hunter Publishing Company Ltd.	N.P.	100	4th Qtr., 1948

INDUSTRIAL EXPANSION AND NEW JOBS - Cont'd

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable Date of Construction Completion
Toronto (Cont'd)	Grain Mill Products The T. H. Taylor Co. Ltd.	N.P.	50	2nd Qtr., 1948
Belleveille, Ont.	Chemicals Bakelite Company (Canada) Ltd.	N.P.	125	4th Qtr., 1948
Chatham, Ont.	Paper Products Hinde & Dauch Paper Co. (Canada) Ltd.	N.P.	150	4th Qtr., 1948
Cobourg, Ont.	Electrical Apparatus General Electric Co. Ltd. (Plastics)	N.P.	250	2nd Qtr., 1948
Galt, Ont.	Machinery Manufacturing Joy Manufacturing Co. (Canada)	P.F.	100	1st Qtr., 1948
Guelph, Ont.	Electro-Plating Hy-Grade Metal Products Company	N.P.	30	2nd Qtr., 1948
Port Hope, Ont.	Secondary Iron and Steel Brunner Corporation (Canada)	N.P.	50	2nd Qtr., 1948
Renfrew, Ont.	Wood Products Canadian Hardwoods Ltd.	P.F.	200	1st Qtr., 1948
St. Thomas, Ont.	Secondary Iron and Steel The Timken Roller Bearing Co.	P.E.	65	1st Qtr., 1948
Wallaceburg, Ont.	Secondary Iron and Steel National Pressure Cooker Co. (Canada) Limited	P.E.	75	2nd Qtr., 1948
Fort William, Ont.	Pulp and Paper Thunder Bay Paper Co.	N.P.	200	1st Qtr., 1948
Vancouver Island	Secondary Iron and Steel Westminster Iron Works	N.P.	80	1st Qtr., 1948
	Primary Iron and Steel Vancouver Rolling Mills	N.P.	40	1st Qtr., 1948

Index of FEATURE ARTICLES published in the
CANADIAN LABOUR MARKET

The Trend of Real and Money Wages in Manufacturing in Canada.
Vol. III No. 2 - February, 1947

Domestic Servants - The Problem and Some Answers
Vol. III No. 5 - May, 1947

Employment Opportunities in the Professions
Vol. III No. 6 - June, 1947

The Problem of the Untrained Older Worker
Vol. III No. 7 - July, 1947

Growth of Employment in Canada, 1919-1939
Vol. III No. 7 - July, 1947

Growth of Employment in Canada, 1919-1939
Vol. III No. 8 - August, 1947

Effects of the War on Canada's Labour Force
Vol. III No. 9 - September, 1947

Organized Migration of Workers to Meet Industrial Needs
Vol. III No. 9 - October, 1947

Seasonal Variations of Employment in the Agricultural
Implements Industry
Vol. III No. 10 - November, 1947

1947 in Review
Vol. III No. 11 - December, 1947

Organized Movements of Seasonal Workers in Agriculture
Vol. III No. 11 - December, 1947

The Construction Industry during 1947
Vol. III No. 1 - January, 1948

A N A D I A N

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DEPARTMENT OF LABOUR,
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March
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Government
Publications

FEATURE ARTICLE

The Employment Outlook
for Technical Personnel

Volume 4

Number 3

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The CANADIAN LABOUR MARKET is a monthly publication prepared by the Manpower Analysis Division of the Research and Statistics Branch.

The purpose of the report is to provide labour market information on the nature and behaviour of the Canadian labour force and of particular industries, occupations, and areas. This information is the product of labour research involving the analysis of employment, unemployment, wages and hours of labour. The effect of institutional impacts upon the labour market, the nature of labour supply and demand, and the human characteristics and relationships which motivate individuals seeking a livelihood or providing opportunities for the employment of others, are also considered.

The material in this report is organized under three major headings, national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

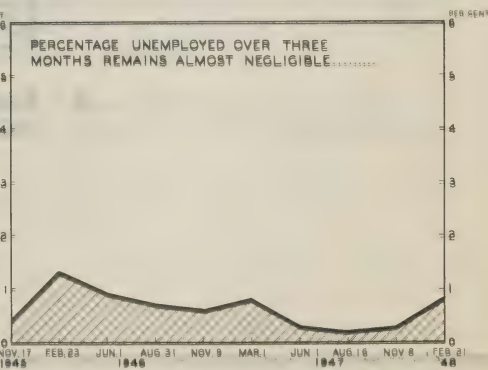
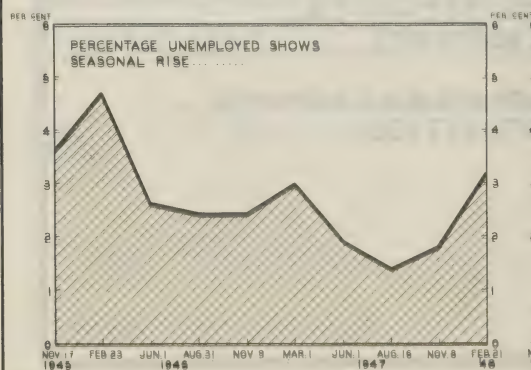
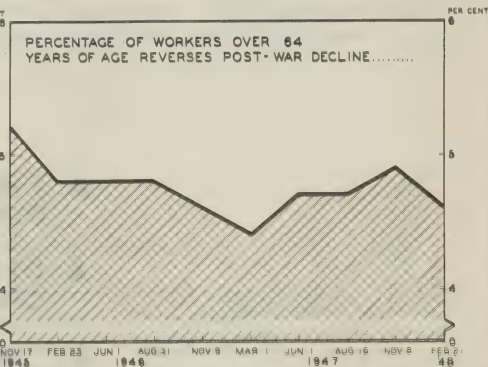
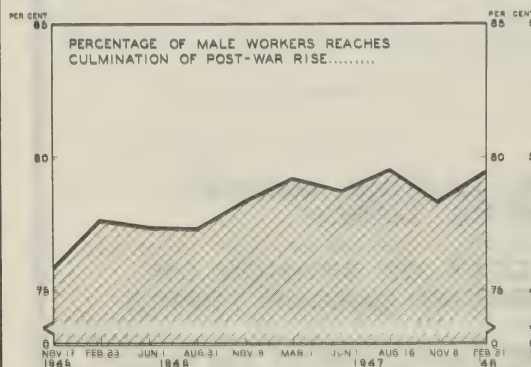
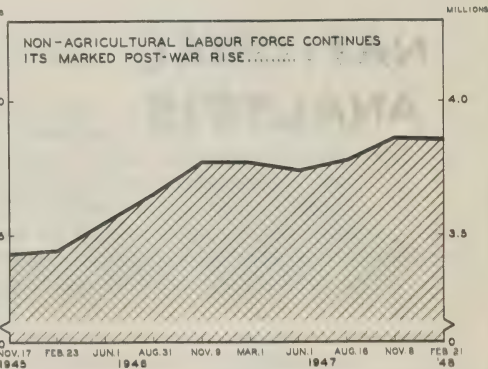
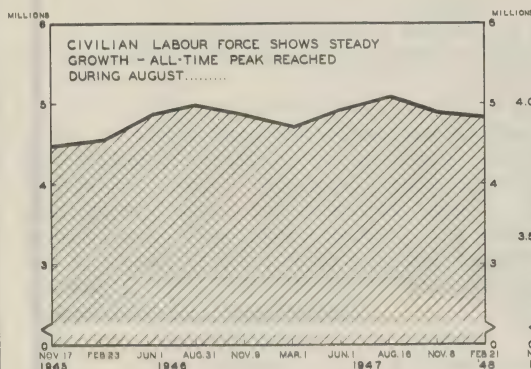
It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation. Accordingly, its contents should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING MARCH
- ▲ DIGEST OF OPINION ON
CURRENT LABOUR TOPICS
- ▲ THE EMPLOYMENT OUTLOOK
FOR TECHNICAL
PERSONNEL
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

THE LABOUR FORCE.....



THE LABOUR MARKET DURING MARCH

Because of greater activity in the seasonal industries, employment conditions throughout the country showed definite improvement during March. Applicants registered for work declined by 7,000 during the month, while the number of jobs on file rose by 6,000. Unskilled male workers benefited the most from the seasonal upswing in employment. At February 21, 1948, unemployment amounted to only 3.2 per cent of the total labour force. Continuing high levels of employment and income are indicated for 1948.

Employment conditions throughout the country showed definite improvement during March for the first time since last fall. For the most part, this can be attributed to greater activity in the seasonal industries because of the unusually mild weather in most areas.

The initial "tightening" of the labour market this month was reflected in the job situation at National Employment Service offices. Applicants registered for work declined by 7,000 during the month, while the number of jobs on file rose by 6,000. As a result, the ratio of applicants to jobs decreased from 1 to 6 at the beginning of March to 1 to 5 at the first of April. The seasonal nature of the improvement in labour market conditions meant that it primarily involved unskilled male workers.

Currently, workers seeking jobs through Employment Service offices number about 12,000 more than at the same time one year ago. This gap, however, has been narrowing during the past few weeks, since applicants temporarily increased at this time last year. On the whole, the Canadian labour force now is showing a much greater inclination to "stay on the job" than at any time since before the war. The result has been that a much smaller proportion of the workers registering for employment merely want to change their jobs than was the case in 1947.

General business confidence in respect to the rest of 1948 seems to have improved considerably in the last few weeks. The basic reasons for this is probably the passage of the six billion dollar European Recovery Program by the United States Congress. This Program will ensure effective markets for many of the primary goods which form the basis of our export trade since, in many cases, payment can now be made in American dollars.

Continuing high levels of employment and income in Canada are also indicated by the business investment planned for 1948. In a recent survey, the Department of Reconstruction and Supply forecast that new capital investment in Canada would be \$2.8 billion in 1948, 17 per cent more than the \$2.4 billion achieved in 1947. In terms of physical volume, however, new investment is expected to be only slightly above that of 1947. When the supply factors involved in such a program are considered, the Department estimates that "it is reasonable to expect virtually full realization of the investment program contemplated". This expectation, however, is based on the "maintenance of industrial peace and of an uninterrupted flow of necessary materials".

Meanwhile, the development of a program of selected immigration from Europe continues. Last year, about 65,000 immigrants came to Canada; in 1948,

it is estimated that immigration will increase to about 100,000. During the first three months of 1948, a total of 3,926 Displaced Persons were brought to Canada to work in various trades. This compared with a total of 4,802 Displaced Persons who were brought to this country during all of 1947. Of those brought to Canada during the first quarter of 1948, the largest number were domestic workers, who amounted to 1,216. The next largest group were metal miners, who numbered 949, followed by 728 clothing workers, 555 construction workers, 343 heavy labourers, 101 textile workers, and 34 woodworkers. At April 8, 1948, applications had been approved for 15,817 additional Displaced Persons to come to Canada.

Total employment in Canada dropped seasonally during the winter months to 4,669,000 at February 21, 1948. Although this was a decrease of 178,000 since last November, it represented an increase of 104,000 since the same date in 1947. Employment in Canada, therefore, continues to maintain record levels for the time of year.

The seasonal decline in employment between November and February mainly affected agricultural workers, where a decline of 103,000 in employment occurred. Employment also declined in construction by 65,000, in trade by 23,000, and in transportation and communication by 16,000. The largest employment gain was in forestry, where a seasonal rise of 23,000 occurred.

Unemployment in Canada reached 156,000 at February 21, 1948, a slightly higher figure than at the same period last year. As compared with last November, however, the increase amounted to 69,000. At February 21, 1948, unemployment amounted to 3.2 per cent of the labour force, as compared to 1.8 per cent at November 8, 1947, and 3.0 per cent at the same date last year.

It is interesting to compare the incidence of unemployment in Canada with that in the United States during the last two post-war years. The following table shows such percentages at quarterly dates for 1946 and 1947:

Table I--Percentage of Unemployment in Canada and the United States

Date	Canada	United States
March, 1946	4.7	4.9
June "	2.6	4.4
September "	2.4	3.5
November "	2.4	3.3
March, 1947	3.0	4.0
June "	1.9	4.1
September "	1.4	3.1
November "	1.8	2.7
March, 1948	3.2	4.0

As can be seen from the above figures, the extent of unemployment in Canada during the last two years has been consistently less than that in the United States. This is a reversal of the situation which existed during the pre-war years in the two countries.

CALENDAR OF LABOUR MARKET EVENTS

March, 1948.

- March 1 The National Steel Car Co., Ltd., Hamilton, signed an agreement with the United Steelworkers of America (CIO) calling for a minimum wage of $92\frac{1}{2}$ cents per hour and voluntary checkoff. The union and company had been negotiating since 1940.
- March 2 A strike of about 750 engineers and radio officers on 150 Canadian deep-sea ships on both the Atlantic and Pacific coasts was announced by the Canadian Communications Association. The Canadian Merchant Service Guild and the National Association of Marine Engineers of Canada were also involved.
- March 6 Of the 860 Displaced Persons who arrived in Canada aboard the General Sturgis, there were 110 garment workers, 385 domestics, 105 hydro workers, 75 railway construction workers, 73 miners, 45 steelworkers and 35 woodworkers.
- March 17 The Prince Edward Island legislature passed a labour law barring union combines and allowing only autonomous trade unions to function in that province.
- March 19 Amendments to Alberta labour laws were submitted to the Alberta legislature. These included proposals that unions, as well as employers, sign collective bargaining agreements and that it be made an offence for employees, as well as employers, to refuse to bargain collectively.
- March 19 Of the 460 Displaced Persons who arrived in Canada aboard the Nea Hellas, 174 were garment workers.
- March 22 A group of 703 Dutch immigrants arrived in Canada. These were bound for farms in all parts of the Dominion, although the majority will settle in Ontario.
- March 28 Of the 430 Displaced Persons who arrived in Canada aboard the Marine Falcon, 98 were garment workers, 118 were domestics, and 203 were miners.
- March 29 The Federal Conciliation Board which has been considering rail-workers' demands for a 35-cent-an-hour wage increase, has completed hearings and commenced preparation of its report.
- March 30 About 210 employees of the Granby Togs Company, along with 65 employees of the Company's branch at Roxton Pond, Quebec, went on strike.

Table I—Economic Indicators of the Canadian Labour Market

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	Mar. 1948	Feb. 1948	Jan. 1948	Dec. 1947	Feb. 1946	Feb. 1945	Feb. 1943	Feb. 1939
Population:—								
Births (a).....000's	-	12.9	14.3	13.3	10.7	10.2	10.5	6.5
Deaths (a).....000's	-	5.5	6.9	5.7	5.2	4.7	4.8	4.6
Immigration.....000's	-	5.2	7.2	7.5	2.3	1.1	.4	.7
Civilian Labour Force:—								
Number (b).....000's	4,825	-	-	-	-	-	-	-
Employment:—								
Number (b).....000's	4,669	-	-	-	-	-	-	-
Index (c)..... Av. 1926 = 100	-	187.7	192.0	197.6	165.7	176.5	178.3	106.5
Female (c).....%	-	22.3	22.4	22.2	24.1	-	-	-
Unemployment:—								
Number (b).....000's	156	-	-	-	-	-	-	-
Unplaced applicants (d)....000's	201	187	142	117	233	87	96	-
Live Claims (e).....000's	146	131	95	60	146	27	-	-
Earnings and Hours:—								
Labour income.....\$000,000's	-	-	-	541	403	-	-	-
Per capita wkly. earnings (f).. $\$$	-	37.02	37.84	37.24	30.03	31.83	-	-
Average hrly. earnings (f)..... $\$$	-	86.5	86.6	85.6	68.1	70.1	-	-
Average real weekly earnings (g) Av. 1946 = 100	-	100.9	104.3	104.3	102.5	109.7	-	-
Average hours per week (f).....	-	42.8	43.7	43.5	44.1	45.4	-	-
Cost of Living:—								
Index..... Av. 1935-39 = 100	150.8	150.1	148.3	146.0	119.9	118.6	116.9	100.7
Strikes and Lockouts:—								
Workers involved.....000's	4	11	13	3	4	5	5	3
Man-working days lost.....000's	57	141	136	22	12	7	24	24
Industrial Production:—								
Index..... Av. 1935-39 = 100	-	181.3	177.7	179.6	158.7	191.4	198.9	102.0

(a) Based on registration in cities, towns and villages having a population of 10,000 and over.

(b) Only includes persons 14 years of age and over.

(c) Based on reports from employers with 15 or more workers and apply to the nine leading industries.

(d) Based on reports from offices of the National Employment Service.

(e) Only refer to ordinary Claims.

(f) Only apply to wage earners in manufacturing. January data adjusted for holidays.

(g) Computed by dividing an index of per capita weekly earnings of wage earners in manufacturing by the cost of living index.

DIGEST OF OPINION ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by labour and business leaders about major labour topics. The following statements have been carefully selected to represent the consensus of opinion in each group about each specific topic. It should be clearly understood that the listing of any opinion in this section does not mean that the Research and Statistics Branch is in agreement with it. The opinions are only published as indicative of the views of the group to which the persons who express them belong.

WAGES AND PRICES

LABOUR OPINION:

A. R. Mosher, President of Canadian Congress of Labour: "The railways should have got even more than the 30 percent increase they asked for. How are the railways going to pay their employees an adequate living wage if they are not granted the means by which to pay it?....However, the freight rate increase should have a beneficial effect on employees' demands for a wage increase of 35 cents an hour."

J. W. Buckley, secretary-treasurer of the Trades and Labour Congress of Canada: "I hope the boost in railway freight rates will mean a boost in railway workers' pay."

BUSINESS OPINION:

R. C. Vaughan, president of C. N. R. and W. A. Mather, president of C. P. R.: "But for the unprecedented traffic volume, the amount of the rail freight increase would fall far short of minimum requirements....it is equally apparent that either further increases in operating costs or a decline in traffic volume may necessitate an application for further relief."

E. M. Little, president of the Anglo-Canadian Pulp and Paper Mills: "Instead of seeking ever higher wages, labour should now choose the wage stabilization route to achieve price stability and level out the cost of living."

IMMIGRATION

LABOUR OPINION:

Resolution passed by the Toronto District Labour Council: "Ontario and Ottawa should put a stop order on further immigration until a conference between management, labour, and government can be called....to ascertain the needs of industry and to assure that those coming in can be absorbed without displacing existing workers."

LABOUR LEGISLATION

LABOUR OPINION:

A. R. Mosher, President of Canadian Congress of Labour: "Only a government which is stupid and absolutely devoid of knowledge of industrial relations would pass such a thing as the recent law passed in Prince Edward Island which makes international and even national unions illegal in the province."

Brief presented by Trades and Labour Congress of Canada (AFL) to the B. C. Provincial Cabinet: "The passing of the Industrial Conciliation and Arbitration Act as amended last year by Bill 39 did not contribute to industrial peace but rather caused unrest....We cannot stress to strongly the necessity for amendments....at the next session of the Legislature."

Brief presented by the B. C. Federation of Labour (CCL) to the B. C. Provincial Cabinet: "We strongly condemn the Industrial Conciliation and Arbitration Act and ask for amendments to remove injustices to organized labour....We call on B. C. to influence Ottawa toward a fair national labour code."

THE EMPLOYMENT OUTLOOK FOR TECHNICAL PERSONNEL

A relative balance between labour demand and supply in the field of technical personnel can be expected during the next five years, according to a recent survey conducted by the Bureau of Technical Personnel. There are 25,000 engineers in Canada to-day and some 12,000 new graduates are expected from 1947 - 1951. Although a survey of 1500 large Canadian companies shows a demand for only 10,000 additional engineers in the same period, when allowance is made for emigration and diversion to other fields, the number of new positions should compare favourably with the number of graduates.

Introduction

Much that is being said in the press and elsewhere at the present time on this and related subjects is, to put it mildly, somewhat misleading. It would appear important that those who study various phases of the subject in connection with the shaping of policy should have constantly before them whatever information of a factual nature is available. It is, perhaps, even more important to present a true picture for the benefit of those most concerned, namely young engineers and scientists, present students and potential students. It is proposed, therefore, in this article, to deal with at least some of the public utterances mentioned above in the light of whatever authentic data may be available.

The Hazard of Forecasting

The difficulties which face the forecaster, even in normal times, need not be enlarged upon here. Even more complicated is the task of attempting to assess the labour market of the future under conditions which are so full of uncertainties as the present.

A good example is provided in the attempt to plan for the expected influx of veteran students into our universities. In June 1944, the National Conference of Canadian universities considered various estimates and analyses based on sample polls within the armed forces and comparative studies of the "higher education" habits of Canadian people. A rough figure was arrived at which will ultimately prove to be not too far wide of the mark, being something of the order of 40,000. As of today, it is not expected that the total enrolment in universities of veterans, including postgraduate students at home and abroad and also those who take, or have taken, various types of short courses, will exceed 48,000.

When the distribution of these students between the various courses offered is analyzed, wide discrepancies appear. Sampling done in the armed forces indicated that in all 3 services, Commerce and Business Administration would provide the largest enrolment with Engineering in second place. This may have been due to the fact that there was a fairly general inclination on the part of those in the services to try their hand in the rather vague field known as "business". In any

Note: This article has been prepared by Mr. J.M. Dymond, Director of the Bureau of Technical Personnel, Department of Labour, Ottawa.

case, the investigation showed that more men in the Air Force, for example, were interested in courses for Business Administration than in all other university courses combined. We now find that in actual fact there are 6,000 veterans enrolled in Engineering and 2,500 in Commerce in the undergraduate years.

Estimated New Supply

At a recent meeting, attended only by active members of the engineering profession itself, views advanced as to the potential market for present undergraduates in Engineering varied all the way from, "We must refuse to sell Canada short" to, "Engineers will be a dime a dozen". Where, in this wide range of opinion, is the truth most likely to lie? There are at present in Canada, some 24,000 engineers who are either graduates of recognized universities (90%) or technically qualified members of appropriate professional organizations (10%). In order to assess the possible additional supply during the years 1947 to 1951 (the years of substantial veteran enrolment), the universities were asked to furnish estimates late in 1946. A year later, at the end of 1947, the figures first submitted were checked against "casualty" rates at examinations in the spring of 1947 and the actual enrolment in the autumn of 1947. This resulted in some revision of the original estimates and the two sets of figures work out approximately as follows:

Table I--Expected Numbers of Graduates in Engineering

Year of Graduation	Estimate	
	Dec. 1946	Dec. 1947
1947.....	1,100	1,100
1948.....	1,800	1,700
1949.....	3,500	3,400
1950.....	3,700	3,600
1951.....	2,800	2,300
Total.....	12,900	12,100

Before considering these figures as probable additions to the total supply of engineers in the country, due allowance must be made for emigration and for diversion to non-engineering fields.

Estimated New Demand

On the demand side, information was sought from some 1,500 employers, including practically all of the largest users of engineering skills, as to their estimated needs for new graduates in the same 5-year period. Allowing for the fact that industry and others could not be expected to make definite commitments as far as 5 years ahead, it was not too difficult to arrive at some estimate of future demand. It must be remembered that employment in engineering fields is very largely concentrated in a limited number of establishments, approximately three-quarters of all the engineers in the country being on the payroll of less than 200 employers.

From the returns thus received from employers, it was possible to arrive at an estimate of future needs as employers saw them at that time. This study was completed at the end of March, 1947.

Table II--Estimates of Demand for Engineers

Year	Number
1947.....	2,300
1948.....	2,100
1949.....	1,900
1950.....	1,700
1951.....	1,500
Total.....	9,500

It will be readily observed that, naturally enough, immediate needs were set at a higher figure than later needs by employers, and the expected demand is completely out of balance with the rate at which new supply will become available. It becomes a question then as to how much of the unfilled demand in the early stages is likely to be carried over as a backlog to offset the increasingly large supply, particularly in 1949 and 1950. This matter might well be the subject of further review with the same employers but, in the meantime, certain additional checks have been made available.

A comprehensive programme was initiated two years ago under which the Department of Labour and the National Employment Service have studied the employment field for undergraduates in their vacations and for new graduates emerging from college each spring. As might be expected, from the estimates given above, the survey thus made early in 1947 uncovered a potential demand for new graduates in that year roughly twice as great as the number of new graduates available. Indications from the 1948 campaign point to an overall demand at least equal to that of a year ago. Beyond 1948 it is impossible to do much more than indulge in speculation but it might be useful to set down some of the factors which may affect the future picture.

The first of these considerations is a somewhat general one but it cannot be overlooked. When the "five-year survey" was made in 1946, employers were given an opportunity to express an opinion as to whether there was any trend toward a wider use of university-trained personnel. The weight of opinion very definitely inclined toward such a trend. A second important factor is the influence of the campaign already mentioned to promote wide employment opportunities for undergraduates. Each year fresh evidence is uncovered that management is giving thought to this problem and it is becoming increasingly possible for an undergraduate to establish his worth as a potential permanent employee one or more years before graduation. A third influence that is very apparent is the lively interest that the various professional bodies concerned are showing in the future prospects of these potential members. It must be remembered that these institutes and associations number among their members a substantial proportion of the senior officers of most of our industrial establishments. For this reason, professional interest in recruits to the profession is, to some extent, bound up with the interest of employers in new engineering staff.

Attempts have been made to arrive at forecasts of future demand on the basis of long-term trends in the engineering profession. Most useful information is available for such a study in reports like that on "Supply and Demand in the Professions in Canada" prepared by the Dominion Bureau of Statistics and based on census information. Material of this kind has been supplemented by quite

exhaustive studies in industrial and professional circles. The question is asked how it can be possible to absorb new graduates in engineering at an annual rate averaging from 8 to 10% of the existing supply, even for a period of 5 years, when the long-term growth has run at about 3%. A general answer to this question is to be found in the estimates provided by employers themselves which, in many cases, bear little relation to past experience. These estimates, based on studies made on the spot by management, reflect new factors which may involve temporary departure from long-term trends. Of such a nature are changes in the rate of industrial expansion, new emphasis on conservation in dealing with natural resources, the age characteristics of existing engineering and scientific staffs and the general trend towards a wider use of university-trained personnel.

The rate of industrial expansion is susceptible to constant analysis whether on the basis of volume of production or number of persons employed. It is a matter of common knowledge that there has been marked acceleration in the period from 1939 to 1947. This should be considered in the light of the fact that more than one-third of the country's engineers find their livelihood in the various phases of manufacturing operations.

Both conservation and exploitation of the resources of the soil, the forests, the mines and fisheries are creating new demands. Not only the primary industries concerned, but also government agencies have already found that substantial increases in research establishments and in engineering field personnel must be made. It is hardly necessary to catalogue all the cases in which new thinking or a greater readiness to implement earlier plans have become apparent. Mention might be made of prairie farm rehabilitation, woods management and rural power extensions as only three well-known examples.

An interesting side-light is provided by the recent decision of the Hydro Electric Power Commission of Ontario to go ahead with the frequency change in southern Ontario. This project has been discussed for many years but a final decision one way or the other has now been more or less forced, in view of the tremendous expansion programme undertaken. In estimating future needs, this particular employer submitted figures for normal growth and replacement and only these were included in the national overall estimate in 1946. Mention was then made that the frequency change would involve over 100 additional openings for electrical engineers. In other words, the possibility of 100 engineering positions has changed to a certainty in little over a year.

While dealing with the subject of long-term growth, there is sometimes a tendency to use bulk figures for the engineering profession without carrying the analysis into the various branches involved. It is not enough to say that the number of engineers in the country increased by so many thousands in, say, the period 1931 to 1941, as indicated by the census. When the totals are broken down into the figures for various branches, we find, for example, that there was an actual decrease in the number of civil engineers in the country. This is also reflected in the estimates made both in 1946 and since, which show that, of all the branches concerned, civil engineering heads the list for new demands.

On the subject of age of existing personnel, further examples of maldistribution are very evident. For example, while the number of engineers gainfully employed was increasing from 1931-41 in accord with the long-term trend, the percentage of engineers 55 years of age or over increased in this 10-year period from 10.7% to 16.6%.

A study of the age picture made immediately before the graduating class of 1947 became available, shows that the effect of this aging was very unevenly distributed as between the country's principal employers. If, for convenience,

five age groups are considered covering ages 20-30, 30-40, 40-50, 50-60, 60-70, the percentages of engineers gainfully employed in each group for the country as a whole would be something of the order of 29, 29, 21, 14 and 7 respectively. Manufacturing establishments which, by their very nature, had enjoyed top manpower priorities during the war years, were the best off for younger employees. The group comprising public utilities, government agencies and other types of employers who did little recruiting during the war, were very much the other way. When data on this basis are plotted in graphic form for 6 large organizations, they appear as shown in Figure 1. These 6 organizations combined employ more than one-fifteenth of all engineers and scientists in the country. Numbers 1, 2 and 3 are manufacturing corporations and numbers 4, 5 and 6 are public utilities in the transportation, communication and power fields.

A broader treatment of the whole question of supply and demand has been indulged in by Mr. B. K. Sandwell, Editor of SATURDAY NIGHT, in recent public addresses. He is quoted as saying that the only remedy to prevent the "export of Canadian brains" to the United States is to "develop the Canadian economy to the point where it needs and can afford to maintain a larger allowance of educated persons". He also speaks of the need for "increasing particularly, that part of the population which is willing to do uneducated jobs".

This would suggest the possibility of over-emphasis on university training under present conditions. It might even be construed indirectly as a criticism of the policy under which many thousands of veterans are being helped to acquire such training.

It certainly does not agree with the carefully prepared submission of Mr. Alex Skelton, Director-General of Economic Research in the Department of Reconstruction, to the Senate Committee on Immigration, which advocated the inclusion in any movement of immigrants to this country of a fair proportion of persons with managerial or other skills normally associated with higher education. It is quite possible that a limited number of professional and other highly-trained persons who have already entered the country in the guise of farm labourers, woods workers or miners have developed to some extent into problem children. It is also quite certain however, that their presence in the ranks of the newly-imported labour force has, in the main, been a steadying influence.

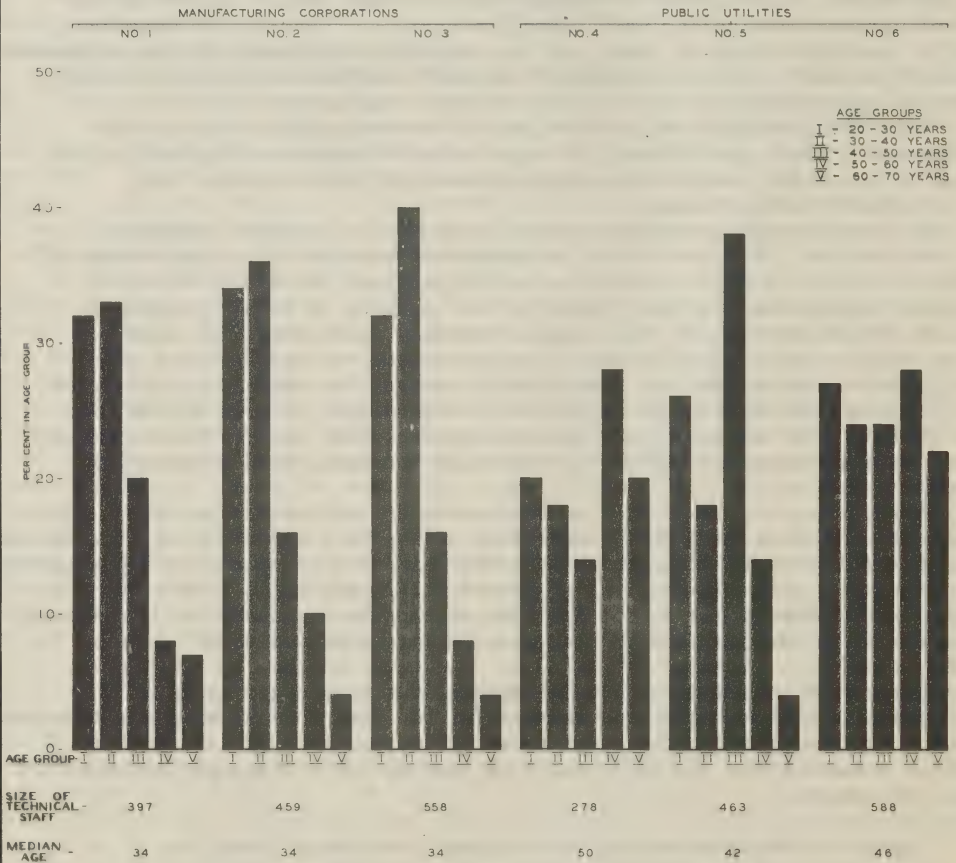
Another angle of this problem has received considerable attention in the press and elsewhere in recent discussions of the true functions of universities. There seems to be a wider realization that the main purpose of university training is not merely to impart knowledge along vocational lines, but to foster the development of wisdom in those who engage in this phase of education. This being the case, there is perhaps less to fear from "a larger allowance of educated persons".

Aside from such general considerations, the press discussion of the university's function provides some examples of the need for checking quantitative information which appears in the press in such a way as to look like a true statistical presentation. An editorial in a leading daily newspaper contains the following statement:

"About one thousand mechanical engineers are poured every year into a profession which can employ only about nine thousand. The surplus find their university degrees of no value, and their training largely a waste of time. There must be a point where this waste can be checked".

FIG. 1

APPROXIMATE AGE DISTRIBUTION OF TECHNICAL STAFFS OF SIX LARGE EMPLOYERS AT JANUARY 1947



The figure of 9,000 for the total number of mechanical engineers needed in the country may be reasonably close to the mark, but in no year in the past have as many as 250 graduated from university. There are 365 enrolled in the present graduating class (1948) in this branch of engineering. It is true that approximately 750 will graduate in each of the years 1949 and 1950 and the class of 1951, though smaller, will still be greater than the "normal" size. There is some question, therefore, as to whether the numbers graduating, even under present conditions of abnormal enrolment, will be much in excess of the needs which Canadian employers have foreseen.

One field of employment for engineering graduates which is very difficult to assess is that which embraces a wide range of non-engineering pursuits. To a great degree this can be a matter only of opinion, but Dean C.R. Young of the University of Toronto included the following remarks in a letter to the Editor of the newspaper quoted above:

"Less than one-half of the engineering graduates of this university devote their lives to purely technical pursuits. Although the majority move over into other occupations that in some degree rest on a scientific or technical basis, many find high places that are in no way associated with technology. Graduates in great numbers will be found in responsible administrative positions in industry, in the public service, in finance, insurance, the law, the diplomatic service and on the bench. I have yet to hear from any of them an expression of regret that his university course was built about a scientific and technological framework.

"A fortnight ago, in his memorable Wallberg lecture, Dr. Harvey N. Davis, president of the Stevens Institute of Technology, pointed out that before the recent war only about one-third of the engineering graduates of the United States were heading for the practice of the profession of engineering in its technical aspects. The other two-thirds went for the most part into administrative or business posts in productive industry. He expressed the opinion that the ratio of those so employed to those needed in traditional, strictly technical capacities is bound to increase rather strikingly in the years that lie ahead. It may well become five or six, or even eight or ten."

The subject of estimated new demand might be left with a brief reference to geographical distribution. Although there is some interchange of students as between location of university attended and location of residence, the student body as a whole is drawn from universities in every province. Furthermore, the numbers trained in any province, in any particular branch of engineering, do not necessarily bear any relation to the provincial or regional demands. The market for the services of any engineering graduate may therefore lie at some distance from his home and from the university where he took his formal training. Evidence of this is provided by the fact that many employers, including the Dominion Government, conduct "recruiting" campaigns among the universities, often with little regard to the student's eventual destination. As he acquires further experience he may look forward to a continuation of this principle of mobility. He may find himself for example, after being trained at Toronto, being transferred from Halifax to Vancouver. Or, if his home has been in Nova Scotia, his

engineering duties may find him transferring from Manitoba to Ontario. For this reason, a great many of the transactions involving employment of engineering personnel must be handled on a national, rather than a local basis.

Emigration and Immigration

Emigration, both past and prospective, is another subject on which headlines are often misleading. An excellent example is provided by an article in a Vancouver newspaper on January 7, 1948. The headline read:

U.S. MAGNET TO NEARLY HALF CANADA'S COLLEGE MEN

and the article went on as follows:

"Four out of every ten Canadian university students plan to emigrate to the United States after graduation, a survey conducted by the Canadian University Press at universities from coast to coast revealed this week.

"The survey shows that although a narrow majority - 59 per cent, expect to get jobs in the Dominion, a large proportion, including many engineers, chemists and physicists will go south.

"To the question, 'Do you intend to emigrate to the United States to seek work?', 17 per cent answered a definite 'yes', 24 per cent were undecided."

The release by the Canadian University Press began with much the same wording as the Vancouver newspaper article and ended with the following paragraph:

"Carleton College in Ottawa and the University of Manitoba had the lowest percentage of those planning to emigrate on graduation, while the University of Western Ontario and the University of Alberta had a large number of students wanting to go to the States."

In view of the statement about the University of Western Ontario, the student counsellor at this University was asked for further particulars of the survey in question. Here is his reply:

"Apparently, each university paper sent some of its reporters out to question students concerning post-graduate employment in the United States. The total group questioned here included only about 60 students and I understand the samples in other universities were correspondingly small. The results of this poll were used by the Canadian University Press. I do not feel that the results of such a survey are very reliable.

"Your letter has made us sufficiently interested to commence plans for a similar but more comprehensive survey of close to 500 students who are expected to graduate this year from the constituent colleges of the University of Western Ontario."

A second survey at the University of Western Ontario was duly made and out of 331 graduating students answering the appropriate question, it was found that 5.7% have more or less definite intentions of leaving Canada on graduation and over 88% definitely intend to stay in Canada, with the balance in the doubtful category.

It was, however, apparently impossible to catch up with the first misstatement because on March 17th, the financial editor of a Toronto newspaper refers to the President of the Ford Motor Company of Canada as, "taking as his text a recent survey which reports that 2 in 5 of all graduates from Canadian universities propose to go beyond the borders of Canada to seek their careers".

In the case of engineering graduates, this whole matter can be checked quite easily by the very simple process of examining the alumni directories of Canadian universities. If this is done it will be found that, of all Canadian engineering graduates, about 10% are in the United States. It is also interesting to note that the median year of graduation of those who are in the United States is in the neighbourhood of 1923 which was the peak year of graduation after the First Great War.

This same discussion breaks out like a rash when the United States authorities periodically release the figures for emigration into the United States from Canada. Under the date of November 26, 1946, the United States Embassy at Ottawa made such a release on the numbers of permanent visas granted to native-born Canadians to enter and live in the United States.

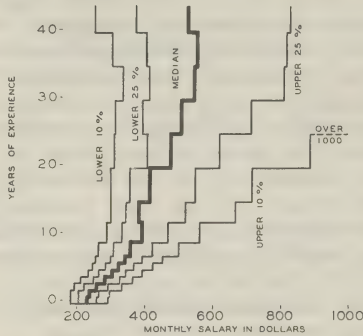
The Canadian Press dispatch covering this release began by referring to reports that Canada is losing heavily in engineers and other personnel to the United States. It then went on to say that in the United States fiscal year July 1945 to June 1946, a total of 18,280 native-born Canadians were granted visas to enter and live in the United States.

Experience with similar news dispatches in the past has demonstrated that many readers stopped at this point and coupled in their minds the reference to engineering personnel with the figure 18,280. Reference was actually made to the total number emigrating as being the number of engineers and scientists the country had lost during the period covered. It is sufficient to point out that, if all those emigrating were engineers and scientists, the country would be completely without such personnel in less than 3 years. It is necessary therefore, to go further with the material made available by the United States Embassy which went on to state that of this number, about 2,636 were in professional and managerial classes. This 2,636 must, of course, be further broken down as it includes many other types of professional and managerial persons as well as engineers and scientists. Actually, the number of Canadian-born engineers and scientists granted permanent visas to live in the United States that year was 394, and in the following year out of a slightly larger emigration, the number was 342.

There is also considerable misunderstanding on the subject of immigration. It might be mentioned to start with that both Dominion census figures and later studies made of the membership of professional bodies indicate that the ratio of technical personnel entering Canada from the British Isles and the United States to the number of Canadians leaving Canada is greater than two to one. The median year of entry of engineers and scientists to Canada also closely coincides with the end of the First Great War. It therefore is not unreasonable to assume that the peak movement of technical personnel both into and out of Canada is likely to happen during the "resettlement" period following such major upheavals as the two Great Wars.

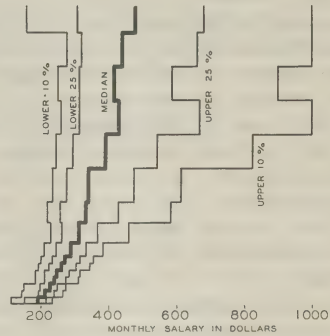
FIG. 2

SALARY PATTERNS ACCORDING TO YEARS OF EXPERIENCE



40,000 PROFESSIONAL ENGINEERS
IN THE UNITED STATES
1946

FROM "THE ENGINEERING PROFESSION
IN TRANSITION, ENGINEERS JOINT
COUNCIL, NEW YORK, 1947

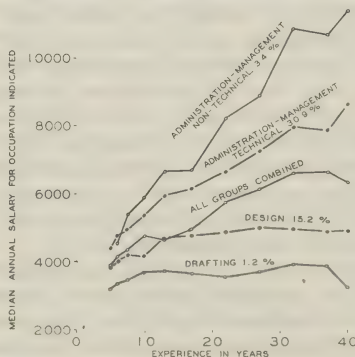


2,500 CHEMISTS & CHEMICAL ENGINEERS
IN CANADA 1947
(PRELIMINARY ONLY)

FROM: PRELIMINARY EXAMINATION OF "SURVEY
OF ECONOMIC STATUS OF CHEMISTS AND
CHEMICAL ENGINEERS IN CANADA"
CHEMICAL INSTITUTE OF CANADA, OTTAWA, 1948

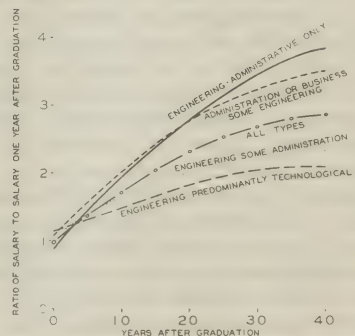
FIG. 3

SALARY PATTERNS ACCORDING TO "OCCUPATIONAL STATUS"



PROFESSIONAL ENGINEERS IN U.S.A.
SAME SOURCE AS FOR FIG. 2

507% OF CASES ARE INCLUDED IN THE 4 OCCUPATIONS SHOWN. THE REMAINING 49.3% ARE DIVIDED AMONG 23 OTHER OCCUPATIONAL CATEGORIES, ALL OF WHICH LIE BETWEEN "ADMINISTRATION-MANAGEMENT TECHNICAL" AND "DRAFTING"



ENGINEERING GRADUATES
OF UNIVERSITY OF TORONTO, 1944

STUDY COVERS 2295 CASES OF WHICH 1648 ARE IN FOUR CATEGORIES SHOWN. REMAINDER DIVIDED AMONG 5 OTHER GROUPS SUCH AS TEACHING, ACTIVE SERVICE ETC.

On the other hand, lack of opportunities, coupled with government action to protect native labour, would have the opposite effect at a time of depressed economic conditions. This is certainly true of the long-term movement from Canada to the United States. At the close of the Second Great War it was found that the largest group of Canadian engineers in the United States was from the class of 1923 and the smallest was from one or other of the classes in the early thirties.

It seems fairly obvious that prospective immigration from Canada to the United States in engineering occupations will be affected by the relation of local supply and demand in that country. The most recent studies available of the market in the United States indicate that it will not be long before the engineering schools there will be producing more engineers than the country can absorb according to present forecasts of employment. It is true that this is an interim report (dated June 16, 1947) and, like any other forecast, may be radically revised when the future becomes the past. It is, however, along the lines that, instead of a small surplus in 1952, as forecast by an earlier study, the surplus will begin to appear in 1949 and will be quite substantial in 1950 and 1951. For these three years combined, the supply is expected to exceed the total demand by over 50,000. Even if this forecast can be very heavily discounted by assuming more expansion in activity or less caution in estimating, it still looks as if there will be keen competition from American graduates for such openings as are available beginning in 1950.

Salaries of Technical Personnel

A discussion of the labour market is hardly complete without some reference to remuneration. This subject has been covered in various bulletins but the present position can be briefly summarized as follows:

(i) In the case of new graduates, starting salaries have steadily increased over the past 7 years and there has also been a trend towards greater uniformity in rates as between different employers and different types of employment. Salaries for new graduates from the class of 1948, as indicated by employers, will embody a much smaller percentage of what might be called low rates, and even in these cases, some special circumstance will often be found to apply. Of approximately 1,000 openings for which the proposed starting salary is known, slightly over two-thirds involve starting salaries in the range from \$195 to \$210 per month. About 20% will be above that range and 13% below. Ninety-eight percent will be at salaries of \$2,000 per annum or more as against 95% in 1947 and 80% in 1946.

(ii) For engineers with varying degrees of experience after graduation there has been not only an overall increase on the average from 1941 to 1947, but the rate of progression has become somewhat steeper. In 1941 the average annual salary for all technical personnel increased approximately \$1,400 between ages 25 and 40. In 1947 the increase for the same age change was in the neighbourhood of \$2,200.

As in the case of other types of salaried workers, often spoken of as the "white-collared" class, the increase from 1941 to 1947 was proportionately smaller than in the case of "hourly-rated" workers of labour generally.

(iii) In both the public service and in private industry, salaries in the higher brackets are becoming more common. Engineers and scientists are affected by this change particularly as they take, in proportion to their numbers, a larger share of senior administrative and executive posts.

Figures 2 and 3 have been inserted for purposes of comparison. Figure 2 shows the salary pattern on the basis of years of experience for some 40,000 professional engineers in the United States and for some 2,500 chemists and chemical engineers in Canada. The information for these items comes from the study "THE ENGINEERING PROFESSION IN TRANSITION" (U.S. 1947) and from the survey of the economic status of chemists and chemical engineers conducted by the Chemical Institute of Canada at the end of 1947 respectively.

Figure 3 is a comparison between the variations of salary according to functional groups, the United States data being from the same study as before, and the Canadian data (dated 1944) being from a study made of engineering graduates of the University of Toronto.

EMPLOYMENT SERVICE ACTIVITIES

By the end of March, the usual seasonal spring recovery in employment was beginning, and plans for meeting the summer needs of industry were well under way at Employment Service offices. During recent months, an easier situation existed in the labour market for unskilled women workers than at any time during the past two years. Many unplaced applicants were encouraged to accept job training; more than 100 a month were recommended for specific courses while in receipt of unemployment insurance benefits.

Only minor reductions in the number of registered job-seekers was evidenced throughout February and March. The data on unplaced applicants however, is not intended to accurately portray changes in unemployment levels. The registration cards of applicants remain in the "live" referral file for 30 days. As a result, those who get jobs on their own, return to farms, or move to other areas, continue to be counted as unplaced until the 30-day expiry date, unless a specific cancellation notice is given by the registrant. Such a cancellation notice is not compulsory. It is likely that the number of unplaced applicants at the end of March - 194,000 - included many in the above category since employment conditions were beginning to improve. Non-renewal of these applications will probably result in a decided drop in unplaced applicants during April, which will take place apart from the usual seasonal causes.

National Employment Service was already making preparations to meet the seasonal requirements of industry. Executive and professional offices had registered an estimated 60 per cent of the university student body for both summer and permanent employment and had been referring them to interested employers since the beginning of the year. Plans for the movement of workers in agriculture were under way and indications pointed to a large program, as in 1947. Facilities for placing immigrants were well equipped to meet their particular needs, and liaison had been established with other interested agencies.

The dearth of job opportunities, suitable for the seasonally unplaced, caused a sharp contraction in placement work at employment offices during February. Placements fell to 9,700 per week, 5 per cent lower than any previous level. Thus, although fewer new applicants registered during February, the slower placement rate forced a steady accumulation of applicants until the peak of 200,000 was reached at the end of February.

The seasonal dislocation of workers was largely among the untrained and unskilled. Opportunities for such workers during the winter months are few. Jobs are scarcer because of seasonal influences and also because employers tend to tighten hiring specifications when there is a freer flow of workers. Job orders filed during January and February were more selective in regard to age, experience, and educational qualifications. At the same time, with the easier labour market, industry was weeding out inefficient staff; such workers were difficult to re-direct, especially during the seasonally inactive weeks.

The situation suggested the need on the part of many of the applicants for additional training. Facilities for such training, although not provided by the Unemployment Insurance Commission, are available to beneficiaries provided that the applicant is recommended by an employment officer and the course is authorized by the Unemployment Insurance Act. From October to February, approximately 600 persons in receipt of benefit were recommended for training courses.

The "tight" labour market which has prevailed for women during the past two years, materially altered during the winter months. Unskilled vacancies were relatively few in number, even in the cities of Toronto and Montreal where the shortage of female workers had been most persistent. Factories, hotels, and restaurants--previously the centre of heavy labour requirements--reported adequate work staffs, greatly reduced labour turnover, and little demand except for experienced help. The easier situation reflected both an increase in the female labour force, through the influx of married women, and employment declines in certain industry groups, especially radio, secondary textile, and food manufacturing. Unplaced female applicants rose to 46,000 at the seasonal peak, 8,000 higher than the corresponding total in 1947. Although seasonal activity will absorb the majority of the displaced, the prospect of employing married women is less promising; many are seeking part-time work or general office or sales work and opportunities in these lines have been limited even at the peak of activity.

The seasonal upswing in employment was beginning during March and rapid gains will take place during the next six months. Employers were "feeling out" the labour market in order to formulate expansion plans in relation to the probable labour supply which would be available during the summer months. Agriculture was drawing in its regular work force which had provided numerous off-seasonal workers for mines, logging, heavy manufacturing, meat packing, etc. These gaps, except in the seasonally-inactive logging industry, will have to be filled at the same time as transportation and construction are requiring additional staffs. In the semi-skilled labour market, a steady stream of immigration will offer relief and it seems probable that forthcoming shortages will be somewhat less than in 1947. The skilled occupations will benefit somewhat less by immigration, at least in the immediate future. In these fields, serious shortages are anticipated.

Approximately 75 per cent of the applicants currently applying for work at employment offices were claiming unemployment insurance. However, because of the requirements of the Act regarding amount of contributions, waiting days, availability for work, causes of discharge, etc., only an estimated 50-55 per cent of the registered unemployed were actually in receipt of benefit. Claimants for unemployment insurance stood at 146,000 at the end of February, as compared with 131,000 and 110,000 one month and one year before, respectively. The sharp rise over the year was primarily due to the absorption of veterans; "out-of-work" benefits dropped by 27,000 during the year. However, it also reflected a number of sporadic lay-offs in the latter part of February.

Table I—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 7550B; Form UIC 745)

Series	Average Weekly		
	Feb. 1948	Jan. 1948	Feb. 1947
Applications for work ^Y	32,000	38,000	33,000
Vacancies notified.....	16,000	17,000	29,000
Placements.....	9,700	10,000	13,000
Women.....	3,500	3,700	4,000
Veterans.....	2,200	2,100	3,400
Handicapped.....	220	210	260
Executive & professional.....	50	50	75

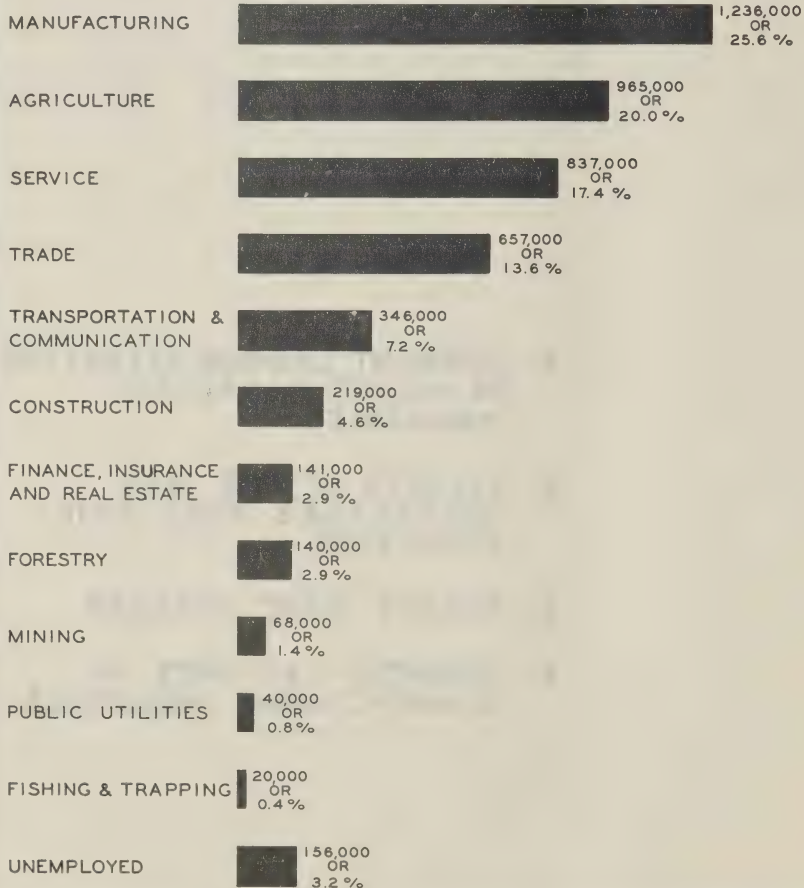
^Y Does not include renewals.

INDUSTRIAL ANALYSIS

- ▲ CURRENT LABOUR SITUATION
IN MAJOR CANADIAN
INDUSTRIES
- ▲ EFFECTS OF THE WAR
ON CANADA'S WAGE RATE
STRUCTURE
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT FEB. 21, 1948

TOTAL LABOUR FORCE - 4,825,000



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

During March, employment entered the first stages of its usual seasonal upswing. Pulpwood logging in eastern Canada showed a rapid decrease, due to the cessation of cutting operations; however, all other major industries were either stable or registered increases. As a result, the rise in employment was reflected in a drop in the unemployed applicants figure which is once again below the 200,000 mark.

Manufacturing.....

Estimated employment (April 1)....1,250,000

Throughout March, manufacturing employment continued its upward seasonal movement which had commenced earlier in the year. Indications are that the number of workers employed in this industry is currently running about 3 per cent above the comparable period for last year. While most employers report the supply of labour is now more adequate, skilled workers are not available in sufficient numbers to satisfy demand.

Apart from the food manufacturing group (edible animal and edible plant products), which is at a seasonal low, most other manufacturing groups are quite active, some seasonally, some cyclically, and a few for both of these reasons.

The domestic market for cottons remains exceptionally strong because of the reduction of imports from the U.S. and Canadian mills are not able to fill demand. Consequently, the primary textile industry (principally the cotton goods producers) currently has need for some six to eight thousand workers, mostly female, in order to operate at capacity. To date, the type of labour required has not been secured and for this reason, production is being somewhat restricted. The clothing industry was quite active during the month with production of summer goods, and, while some material shortages have been encountered, most employers have obtained sufficient quantities to maintain their work forces at a level higher than March of last year. Some would utilize additional workers if they could be secured. As yet, restrictions on the import of cotton goods from the United States have not seriously affected employment in the secondary textile group.

In both the Consumer Durable and Producer Goods groups, seasonal changes are not of any great magnitude at present, and the increase of employment may be attributed primarily to cyclical growth.

Manufacturing in general is undergoing a rather remarkable secular expansion; however, it is difficult to assess this phenomenon in relation to any one point in time. Figures recently released by the Department of Reconstruction and Supply indicate that approximately \$173 millions will be invested this year in the construction of new manufacturing plants and an additional \$381 millions for machinery and equipment. While the immediate effect of this program is to stimulate the construction and producer goods industries, in the long run it means an expanded demand for labour, both in the skilled and unskilled categories.

In the field of labour relations, no widespread troubles have developed. In March, a number of collective agreements were peacefully negotiated and in most instances substantial wage increases were granted by employers. It would appear, at this time, quite likely that the pattern for third-round wage increases has been fairly well established with no serious resistance on the part of management having materialized. On March 31, the Steel Company of Canada announced that it had reached an agreement with its employees whereby an hourly increase of 11¹/₂ cents was granted. This new agreement is effective as from April 1. Similar agreements in the other two large steel companies are expected to follow shortly.

SERVICES.....

Estimated employment(April 1).....845,000

Demand for help in domestic and personal services continues quite strong. Unfilled vacancies as at March 18 numbered approximately 5,000 for females and 1,500 for males.

Approval has been given for the entry of 2,400 immigrant domestic servants and, by the middle of March, 1,600 of these had arrived. Plans are at present being formulated to permit the entry of an additional number of female D.P.'s for placement as domestic servants in Canadian farm homes.

TRANSPORTATION AND COMMUNICATIONS.....

Estimated employment(April 1).....365,000

While very little change has taken place in communications employment, the transportation group is somewhat more active with preparations underway for the re-opening of Great Lakes Shipping. With the early spring, seasonal activity has begun a few weeks ahead of the usual date. Labour negotiations between ship operators and employees were settled amicably for the most part, and substantial wage increases were granted in every case.

The board of conciliation which has been sitting on the railway workers wage issue completed its hearings simultaneously with the Board of Transport Commissioners' March 30 announcement of a 21 per cent boost in freight rates, and is in the process of submitting its findings to the Minister of Labour. With higher freight rates now permitted, this long standing wage dispute should be settled in the very near future.

TRADE.....

Estimated employment(April 1):.....665,000

Both wholesale and retail trade remain very active. However, the physical volume of business has levelled off considerably because of rising prices and therefore employment is relatively stable. The estimate of 680,000 for April 1 is up slightly from the previous month because of the normal spring seasonal upswing now in progress. Some 4,000 unfilled vacancies were registered with N.E.S. early in the month, which indicates there is still a fair demand for help in various branches of trade. Employers are becoming more selective in their hiring policies, but experienced help is still being placed without any difficulty. Although buyers are somewhat more cautious, expectations are that dollar volume of business will be maintained for the next few months.

LOGGING.....

Estimated employment(April 1).....90,000

Pulpwood logging operations in eastern Canada(Manitoba and east) are now concluded and preparations are being made for the spring log drive which will commence as soon as the ice breaks up in the rivers. As at March 23, Canadian Pulp and Paper Association estimates placed pulpwood logging employment in the eastern region at approximately 30,000(daily average on operations) with further declines anticipated. The remainder of the 90,000 (estimated above) are engaged in sawmill logging in the east, where activities are in a state of seasonal decline, and in logging of all types in the Pacific region, where operations are on a year-round basis and employment is moving from its mid-winter low to its early summer peak.

On the whole, logging employment is slightly above that for March of last year.

MINING.....

Estimated employment (April 1).....68,000

Mining employment shows very little tendency to fluctuate seasonally and the estimate for April 1 is the same as that for the previous month. A slight seasonal decrease is in progress in the western coal mining group since some miners return to farming at this time of year. This decrease has been counter-balanced by a slight increase in the metal mining group, which is centered chiefly in northern Ontario and Quebec, where labour is now in more plentiful supply. Mine operations in this district are no longer curtailed by power shortage. The labour situation in the Maritime coal mining group remains unchanged.

Most mines are now in a more favourable position with regard to labour supply and productivity than they have been for some time. In fact, many mines are now turning away applicants.

Labour turnover and absenteeism have greatly improved during the past month. Labour forces have been strengthened by the hiring of experienced miners recently finished with pulpwood cutting and also by the importation of displaced persons, some one thousand of whom had arrived at Canadian mines by the end of March.

CONSTRUCTION.....

Estimated employment(April 1).....225,000

The construction industry is now entering the initial stages of its customary spring seasonal upswing.

While employment showed only a moderate increase during March, most construction employers were making preparations to get into full swing as soon as the weather permits; rapid gains should be registered during April and May. The shortage of skilled workers will persist throughout this season, but the supply of general labour will probably be more adequate than last year.

Because of the heavy program of institutional and industrial building which is in progress, considerable activity continued throughout the winter months and employment did not fall off to the same extent as in other years. The following table (prepared by the Department of Reconstruction and Supply) gives forecasts of expenditures on construction in Canada during 1948:

Table I--Forecast Expenditures on Construction -- 1948
(millions of dollars)

Source: Private & Public Investment in Canada--Outlook, 1948
Department of Reconstruction and Supply.

Type of Expenditure	Capital Expenditure	Repair and Maintenance	Total
<u>Business</u> :-			
Manufacturing.....	173	64	237
Primary Industries.....	114	31	145
Utilities.....	193	156	349
Commercial.....	153	54	207
<u>Other</u> -			
Institutions.....	127	18	145
Housing.....	599	137	736
Direct Government.....	265	120	385
Total.....	1,624	580	2,204

The figure of \$2.2 billions shown in the above table includes only proposed expenditures on construction. In addition, it is expected that about \$1.8 billion will be expended on machinery and equipment. This latter figure, however, is of little significance insofar as the construction industry is concerned.

When allowance is made for price increases which have taken place over the past year, it would appear likely that the physical volume of construction in 1948 will closely parallel that for 1947 and consequently the demand for labour in this industry will be very strong during the next few months.

EFFECTS OF THE WAR ON CANADA'S WAGE STRUCTURE

Canada's wage structure emerged from the war with less marked differentials between skilled and unskilled labour and between high-wage and low-wage industries. The change during the war years from labour surplus to labour scarcity, the system of wage control, and the rapid growth of union strength were all contributory factors towards reduction of differentials. Increases in wage rates were considerable from 1939 to 1943, but more limited from 1943 to 1945 because of stricter wage control. Although wage control remained in force until December 1, 1946, many substantial across-the-board increases were granted in that year.

The most obvious effect of the war on Canadian wage rates was an all-round increase. In addition to this general increase, however, there were considerable changes in wage differentials. Wage differentials are chiefly of the following sorts: (1) between grades of skill; (2) between industries; (3) between localities; (4) between sexes. This article is concerned with the first two types of wage differential, since consideration of local and sex differentials would require different breakdowns of the data available.

The general tendency was toward a reduction of both kinds of wage differential, that between skilled and unskilled labour, and that between high-wage and low-wage industries. This conclusion is supported by the four tables presented, which contain figures provided by the Wage Statistics Section of the Research and Statistics Branch of the Department of Labour.

Table I gives indices of wage rates, for manufacturing in general, and for unskilled factory labour, from 1937 to 1946. Since the weights used for the various industries and localities are not quite the same for the two indices, too much significance should not be given to minor relative variations of the two. It seems clear, however, that in the period 1941 to 1943 the wage rates of unskilled labour increased relatively to wage rates in general. This result also seems very probable on other grounds, since it was during those years that the last of the unemployed (aside from a minimum of frictional unemployment) were absorbed into industry, and shortages of labour began to be acute. The slowing of the increase in wage rates, both skilled and unskilled, between 1943 and 1945 was presumably due to the tightening of wage control.

Tables 2 and 3 give indices of wage rates for selected skilled and unskilled occupations, respectively, for a representative list of manufacturing industries. The indices are for 1943, 1945, and 1946, taking 1939 as the base. The occupations listed necessarily form a small sample from a statistical point of view, but have been carefully selected as being either definitely skilled or definitely unskilled occupations. These occupational indices support the conclusion that unskilled wage rates increased more than skilled rates.

Table 4 gives wage rate indices by industries, both manufacturing and non-manufacturing, for the period 1943 to 1946, again taking 1939 as the base. The last column in this table also shows the logic of the peculiar

order in which the industries have been arranged in Tables 2 and 3 as well as in Table 4. This order is determined by the size of the general wage rate index for each industry for 1946. The purpose of this arrangement is to facilitate comparison of percentage increases between industries, and comparison of the occupational indices, given in Tables 2 and 3, with the general wage rate index for the same industry, given in Table 4.

Inspection of Table 4 suggests that the causes of differences in rate of increase between different industries were rather varied. Industries with high rates of increase were in some cases those which were greatly expanded by the war; in other cases, they were industries which had relatively low rates before the war; in others, industries in which aggressive and growing trade unions were operating; and in still others, simply industries which were located in British Columbia.

Causes and Timing of Wage Changes

The alteration of the wage structure had several causes, the chief of which are outlined below.

First, the great increase in demand for products of all kinds, but especially for war materials, and the resulting shift, during the first half of the war, from a condition of labour surplus to one of labour scarcity, were contributing factors to a large number of wage increases.

Second, the system of wage control set up, simultaneously with price control, at the end of 1941, had a stabilizing effect but allowed justifiable increases.

Third, the rapid growth of trade union membership resulted in an increase in the number of collective agreements. Most of this growth took place in unions organized on an industrial basis, rather than on the older craft basis.

These causes, however, did not operate evenly throughout the war. Three periods may be distinguished:

(1) 1939 to 1943 inclusive: War production was increasing throughout this period, and employment reached its wartime maximum at the end of 1943. The constant increase in demand for goods and the growing shortage of labour resulted in a persistent upward pressure on wage rates, especially in war industries. Wage control began at the end of 1941, but was only gradually tightened and centralized under the National War Labour Board. Trade unions exercised considerable self-restraint because of patriotic motives, but, on the other hand, the demands they made met with relatively weak resistance from the employers because of the labour shortage. Increases in wage rates were therefore considerable, but, for various reasons, these increases were not equal for all groups.

(2) 1944 and 1945: Wage and price controls at this time were much stricter, and increases in wage rates were more limited than before. Also some types of war production began to decrease, while increases continued in other industries. Changes in wage differentials were therefore not always in the same directions as in the preceding period.

(3) 1946: Trade unions, which had doubled their membership during the war, no longer felt the wartime need for self-restraint, and wage demands were presented in many cases on an industry-wide basis. This strategy had been employed during the war only in a few exceptional cases. The heavy demand for all kinds of non-military goods diminished employers' resistance to

demands for wage increases. Abolition of price control in the United States was followed by an increase in the cost of living, and made it more difficult to maintain price and wage control in Canada. However, wage control remained in force until December 1, 1946, and probably held wage increases to somewhat lower levels than they would have otherwise attained. But the distinctive feature of the year was the substantial across-the-board increases granted in a number of leading industries. The chief part in the wage drive was taken by the new industrial unions organized within the preceding ten years.

The year 1946, of course, was by no means a normal peacetime year, and the wage structure existing at the end of that year, being a product of seven years of abnormal conditions, could not be considered the final, stable product of postwar readjustment. Unfortunately, statistics on wage rates in 1947 are still incomplete.

Effects of Wartime Increase in Demand

The most obvious influence on wage rates in the war period was the tremendous increase in demand, both for war materials and for consumers' and producers' goods. Hence wage rates were subjected to a constant upward pressure, the results of which varied at different periods.

In the earlier part of the war, from 1939 to 1943, two effects were prominent:

First, as nearly all the unemployed became absorbed into industry, unskilled labour, of which there had been a great surplus in the depression years, became nearly as scarce as skilled labour. The relative increase in unskilled wage rates, shown in Tables 1, 2 and 3, was a result.

Second, since the greatest increase in demand was naturally for war materials, the greatest wage increases tended to be in war industries. On the other hand, in the later war years, when production of war materials was either becoming stable or decreasing, these industries tended to lag behind others in the matter of wage increases. However, this tendency toward stabilization of wage rates, especially in high-wage industries, was probably due more to wage control than to slackening demand for the products.

Obvious examples of war industries in which the chief wage increases came early in the war were electrical products, motor vehicle parts, machinery, and shipbuilding. These may be found in Table 4.

Two other effects of demand which perhaps persisted into the later war years, more than the two preceding, were the following:

First, wage differentials between industries tended to be narrowed, as workers were attracted from lower-paid industries into higher-paid war employment. This effect also can be seen in Table 4, where industries at the bottom of the list, with the lowest percentage wage increases, are such relatively high-wage industries as steam railways, motor vehicle production, newsprint, metal mining, and printing.

Second, the regional distribution of wartime demand was not quite the same as that of normal peacetime demand. Consequently, regional wage differentials were altered. While wage rates in Quebec and the Maritimes tended to approach more closely those of Ontario, rates in British Columbia tended to rise further than before above those of Eastern Canada. These effects can be seen in such British Columbia industries as logging and sawmills, and in such Quebec industries as boots and shoes. However, material is not available here to deal with regional differentials in full.

Effects of Wage Control

During its first two years, from November, 1941 to December, 1943, the effect of wage control was not so much to freeze wage rates as to equalize them, by preventing wage increases which would have resulted in increased wage differentials, and by permitting other increases which tended on the whole to reduce differentials, at least within a single industry or a single locality. The chief principle followed at this time was allowing wage increases which had the effect of equalizing wage rates for comparable occupations in comparable localities. Established differentials between more skilled and less skilled grades of labour, between non-comparable industries, and between non-comparable localities were to be maintained. On the other hand, the increasing tendency of unions to demand across-the-board increases for whole plants, or in a few cases for whole industries, was encouraged by the inevitable centralization of collective bargaining under the War Labour Boards. Such across-the-board wage increases meant larger percentage increases for the lower-paid workers. The cost-of-living bonus, being equal for different grades of skill, also slightly reduced differentials between skilled and unskilled. In the case of the steel industry, the wage differentials between Algoma, Stelco, and Dosco were eliminated at one time.

Under the Wartime Wages Control Order of December 1943, wage increases were more strictly limited until the end of the war, and fewer concessions were made to trade union demands. However, under the "gross inequality" clause, it was possible for lower-paid workers to receive increases more readily than for higher-paid workers. The net effect of wage control in both periods was therefore probably a tendency toward the reduction of wage differentials.

Effects of Trade Union Growth

Total trade union membership in Canada was approximately doubled during the war. During the latter part of the war period, from 1944 on, many workers were covered by collective agreements who had not previously been covered. The industrial form of organization was greatly strengthened relatively to the craft form. The aggressiveness characteristic of new and growing industrial unions was shown especially in the outbreak of large, industry-wide strikes in 1946, and in the wage increases which resulted.

Trade union activity played a considerable part in obtaining the wage increases granted in the earlier part of the war, before the intensification of wage control, and the high percentage increases shown in Table 4, for 1943, in such industries as shipbuilding and motor vehicle parts, were the result, in part, of trade union efforts. But, since these were also among the leading war industries, it is difficult to separate the influence of the unions from the effects of supply and demand.

The effect of trade union growth on wage rates was therefore shown chiefly in the period 1944-1946, and industries experiencing large wage increases at this period tended to be those recently organized on an industrial basis, in contrast with industries organized on a craft basis, or relatively unorganized.

Examples, shown in Table 4, are logging in western Canada (in contrast with the relatively unorganized logging in eastern Canada), primary iron and steel, and rubber products.

Craft-organized industries, such as printing, construction, or railways, received much smaller percentage wage increases at this period. It must be remembered, however, that these industries have long enjoyed collective wage agreements, and were already relatively high-wage industries in 1939.

Industries having industrial unions, which had already achieved relatively high rates of wages before the war, or which had benefited by an abnormally large demand for their products early in the war, enjoyed relatively moderate percentage wage increases in the later war and postwar period. Examples were motor vehicles and electrical products. Although the absolute wage increase granted in these industries in 1946 was equal to that in primary iron and steel, the percentage increase was smaller.

The chief general conclusion which can be drawn from Table 4 is that, for the war and postwar period taken as a whole, from 1939 to 1946, industries which were poorly paid to begin with, tended to receive larger percentage wage increases than those which were relatively well paid. In other words, between industries as between grades of skill, there was a tendency toward the reduction of wage differentials. It remains to be seen whether this change is permanent or temporary.

Table I--Index Numbers of Canadian Wage Rates, Average for all
Manufacturing and Average for Unskilled Factory Labour
1937 to 1946
(Base: 1939 = 100)

Source: Wage Statistics Section, Research and Statistics Branch
Department of Labour.

Year	All Manufac- turing	Unskilled Factory Labour
1937.....	96.1	97.1
1938.....	99.2	99.2
1939.....	100.0	100.0
1940.....	104.3	102.4
1941.....	115.2	113.2
1942.....	125.5	127.1
1943.....	136.8	143.4
1944.....	141.4	148.0
1945.....	146.5	150.2
1946.....	161.5	165.9

Table 2.—Wage Rate Indices for Selected Skilled Male Occupations
in Leading Industries, Canada, 1943, 1945, and 1946

(Source: Research and Statistics Branch, Department of Labour)

Industry	Occupation	Average Wage Rate 1939 \$ per hour	Wage Rate Indices (Base: 1939 = 100)		
			1943 %	1945 %	1946 %
Sawmill products	Sawyers	.863	116.2	110.7	124.3
Woollen yarn and cloth	Loom Fixers	.460	141.1	145.7	165.2
Leather tanning	Shavers	.460	144.1	164.3	172.2
Agricultural machinery	Moulders	.501	157.7	166.9	195.6
" "	Patternmakers	.504	168.7	182.7	201.4
Furniture	Upholsterers	.500	160.0	168.4	177.4
Crude, rolled and forged iron and steel products	Patternmakers.	.604	133.6	156.1	167.7
" " "	Bricklayers	.678	126.7	152.4	169.6
" " "	Electricians	.644	124.1	132.0	150.9
Electrical products	Tool & die makers	.663	149.4	152.5	160.3
" "	Coil winders, male	.505	160.8	161.4	174.1
" "	Machinists	.638	123.4	135.1	143.3
Rubber products	Calendarmen	.550	145.3	165.1	182.4
" "	Curers	.614	143.3	141.9	170.2
" "	Tirebuilders	.714	143.3	139.6	156.4
Meat products	Boners	.509	133.6	141.1	164.6
Boots and shoes	Lasters	.505	-	147.1	163.6
" "	Upper Leather Cutters	.506	-	145.1	158.1
Stoves, furnaces, etc.	Patternmakers	.580	121.9	133.8	140.5
" " "	Moulders	.574	141.6	149.1	157.3
" " "	Coremakers	.458	161.1	181.9	179.5
Pulp	Acid Makers	.723	114.2	120.5	138.3
"	Digester Cooks	.828	113.5	121.3	135.0
Motor vehicle parts and accessories	Toolmakers	.730	137.0	136.6	147.5

Table 2.—(Continued)

Industry	Occupation	Average Wage Rate 1939 \$ per Hour	Wage Rate Indices (Base: 1939 = 100)		
			1943 %	1945 %	1946 %
Cotton yarn and cloth	Loom Fixers	.500	132.4	141.4	151.2
" " "	Slasher tenders	.453	131.6	139.1	155.6
Foundry and machine shop products	Patternmakers	.622	134.1	137.8	154.2
" " "	Moulders	.575	132.2	141.9	156.5
" " "	Blacksmiths	.556	127.2	143.9	152.3
Machinery, engines, boilers, tanks, etc.	Patternmakers	.660	140.8	142.6	153.6
" " "	Toolmakers	.628	146.0	156.5	158.8
" " "	Moulders	.587	133.6	136.6	149.2
Flour	Bolters	.585	124.6	128.0	134.5
"	Grinders	.591	130.6	134.3	142.3
"	Millwrights	.681	110.4	113.5	127.3
Shipbuilding (steel ships)	Patternmakers	.740	133.8	133.5	138.0
" "	Boilermakers	.699	136.5	135.2	140.1
" "	Electricians	.668	151.2	153.9	158.7
" "	Riveters	.680	140.7	139.3	140.9
Paper other than newsprint	Machine Tenders	.870	114.3	119.8	133.1
" "	Black tenders	.670	120.4	127.9	146.6
Electric current production and distribution	Electricians	.671	123.5	133.1	140.5
" "	Linemen	.626	125.4	126.5	136.9
" "	Operators	.647	119.0	129.1	137.6
Newsprint	Machine Tenders	1.440	112.8	114.9	124.6
"	Back Tenders	1.260	114.0	117.1	128.1
Newspaper printing	Compositors and pressmen	-	112.5	119.1	125.7

Table 3--Wage Rate Indices for Selected Unskilled Male Occupations
in Leading Industries, Canada, 1943, 1945, and 1946

(Source: Research and Statistics Branch, Department of Labour)

Industry	Occupation	Average Wage Rate 1939 \$ per hour	Wage Rate Indices (Base: 1939 = 100)		
			1943 %	1945 %	1946 %
Sawmill products	Labourers	.299	157.2	175.6	204.3
" "	Pilers	.329	162.3	179.0	218.8
Woollen yarn and cloth	Dye house men	.340	142.1	158.2	172.9
Leather tanning	Labourers	.340	145.3	170.3	188.8
Agricultural machinery	Labourers	.349	163.3	171.1	188.8
" "	Woodworkers	.409	127.1	133.3	170.2
Furniture	Yardmen and Labourers	.333	144.4	147.7	164.0
Crude, rolled and forged iron and steel products	Labourers	.405	141.5	151.9	178.8
" " "	Blacksmiths' helpers	.440	134.8	154.5	180.2
Electrical products	Labourers	.400	146.8	151.8	163.5
Rubber products	Labourers	.381	142.0	145.1	163.3
Meat products	Packers	.434	131.8	149.3	167.1
Boots and shoes	Buffers & polishers	.401	129.7	152.4	167.8
" "	Sole leather cutters	.417	-	144.8	166.2
Stoves, furnaces, etc.	Labourers	.351	149.9	159.0	166.4
" " "	Craters and shippers	.369	152.6	168.3	177.8
Pulp	Chippermen	.480	122.3	130.2	157.1
"	Wet machine men	.433	123.6	133.0	152.2
"	Wood handlers	.440	124.8	134.1	163.6
Motor vehicle parts	Labourers	.460	141.3	140.7	158.3
Cotton yarn and cloth	Dyehouse men	.344	149.1	146.2	160.8
Foundry and machine shop products	Labourers	.370	158.6	161.9	170.8
" " "	Machinists' helpers	.372	149.7	164.8	180.1
" " "	Moulders' helpers	.427	129.0	138.2	151.1
Machinery, engines, boilers	Labourers	.360	145.8	157.5	169.4
Flour	Labourers	.384	136.7	145.1	156.8
"	Sweepers	.377	142.2	143.5	164.2
Shipbuilding	Labourers	.393	147.8	149.4	155.7
Paper other than newsprint	Beatermen	.467	128.5	132.3	155.7
Electric current production and distribution	Groundmen	.514	122.6	125.9	128.4
" " "	Meter readers	.507	124.3	134.9	145.8
Newsprint	Beatermen	.482	127.8	129.9	154.8

Table 4--Index Numbers of Wage Rates in Canada, by Industry,
1943-1946, in Order of Percentage Increases by 1946

(Base: 1939 = 100)

Industry	1943	1944	1945	1946
Logging, Western Canada.....	147.5	156.8	160.5	184.9
Sawmill products.....	143.8	148.7	157.5	184.8
Woollen yarn and cloth.....	152.8	160.3	163.5	183.1
Men's and boys' suits and overcoats.....	146.6	151.9	164.1	182.1
Leather tanning.....	148.9	156.8	167.0	181.1
Dresses.....	133.2	138.9	152.5	179.2
Agricultural implements.....	151.9	155.8	157.5	178.5
Women's and Misses' suits and coats.....	134.5	137.5	152.7	176.2
Shirts.....	135.9	146.5	157.0	171.7
Furniture.....	147.6	154.8	159.5	171.7
Crude, rolled, and forged iron and steel products.	135.5	143.5	149.1	170.6
Electrical products.....	149.2	154.1	156.8	169.1
Rubber products.....	134.4	139.8	143.4	167.7
Meat products.....	135.1	137.3	141.0	165.4
Rayon yarns and fabric.....	141.3	147.0	148.9	164.7
Boots and shoes.....	141.7	142.6	150.1	164.0
Stoves, furnaces, etc.	143.5	149.5	155.4	163.5
Logging, Eastern Canada.....	142.0	143.2	151.4	162.8
Pulp.....	128.6	135.3	136.3	162.8
Knitting-hosiery, underwear, and outerwear.....	138.5	146.2	150.3	162.5
Motor vehicle parts and accessories.....	145.7	147.1	148.2	162.3
Water transportation (Inland and Coastal).....	138.8	142.2	144.6	162.3
Cotton yarn and cloth.....	136.6	139.1	148.7	161.6
Planing mills, sashes, doors, etc.	134.9	139.4	147.2	161.2
Foundry and machine shop products.....	137.0	140.8	149.5	161.0
Work clothing.....	140.8	141.0	148.0	160.3
Biscuits.....	131.9	135.8	142.0	159.2
Tobacco products.....	131.5	140.3	140.5	156.9
Machinery, engines, boilers, tanks, etc.	141.7	147.9	147.3	155.8
GENERAL AVERAGE.....	133.7	137.9	141.8	155.2

Table 4 (continued)

Industry	1943	1944	1945	1946
Aircraft.....	134.0	138.7	148.7	154.6
Flour.....	133.3	135.0	139.2	153.1
Bread and cake.....	128.9	134.3	139.0	152.6
Paper boxes.....	128.9	133.1	138.5	151.6
Fur products.....	127.3	130.5	140.5	150.7
Shipbuilding (steel ships).....	144.4	145.3	145.9	148.8
Confectionery.....	130.0	131.8	139.0	148.7
Beverages (breweries).....	121.9	123.5	127.9	148.4
Laundries.....	127.3	128.9	135.4	147.5
Paper, other than newsprint.....	120.1	124.7	126.8	147.0
Coal mining.....	124.8	146.0	146.2	146.7
Construction.....	127.7	129.6	131.1	143.9
Electric current production and distribution....	129.6	132.5	134.4	143.5
Steam railways.....	125.5	125.5	125.5	142.3
Motor vehicles.....	122.7	126.3	130.3	140.4
Electric street railways.....	121.2	125.7	126.6	139.5
Newsprint.....	115.4	119.6	120.9	137.3
Metal mining.....	123.1	125.2	128.2	135.7
Job printing and publishing.....	113.8	114.9	117.7	129.8
Newspaper printing.....	112.5	116.5	119.1	125.7
Telephones.....	121.9	122.4	125.6	125.2

RECENT WAGE CHANGES

The wage change announcements which appear in the following pages were made during the latter part of February and the month of March. (1) They affected some 28,000 persons. The gains published for the period ranged from 4 to 25 cents per hour as compared with 3 to 26 cents per hour during February. While larger increases were recorded last month because of the substantial gains in the mining industry, the percentage of those who received 10 cents or more per hour had risen from 35 in February to 45 in March.

During February, the Canadian coal mining and asbestos industries received substantial wage increases while in March wage changes were concentrated in the water transportation and primary and secondary steel industries. All gains listed for March were brought about without strike action.

In preparation for the opening of navigation in the latter part of April, negotiations have been successfully carried out, and 1948 wage rates set, in the major lake shipping companies. It appears that, except for some break between the Canadian Seamen's Union and the newly-formed Canadian Lake Seamen's Union, shipping operations will proceed without loss of time.

On the last day of March, a new collective agreement was signed at the Steel Company of Canada which granted the workers an hourly increase of $11\frac{1}{2}$ cents. This peaceful settlement was in marked contrast to the prolonged strike which preceded the signing of their 1946 agreement. Other iron and steel manufacturing firms, including the Algoma Steel Corp. Ltd. and the Dominion Steel Corp. Ltd., which have been holding back awaiting the decision at Hamilton, are now expected to complete negotiations on somewhat similar terms.

Negotiations at the Ford Motor Co. of Canada plant, Windsor, were concluded on March 18. The new agreement dealt with bargaining and grievance procedure and made no change in the present wage structure.

Wage talks continued in several electrical plants and among woodworkers in British Columbia and gold miners in northern Ontario. The recently announced increase in railway freight rates pointed the way to a pending settlement of wage negotiations in progress on behalf of approximately 125,000 railway employees of nine Canadian railway companies.

(1) The announcements were obtained from press clippings, trade journals, union newspapers and magazines, narrative reports from managers of local National Employment Service offices, narrative reports from field interviewers of the Employment Forecast Survey carried out by this Branch, and any other available sources. The listing contains most of the major wage announcements, and indicates the pattern that is being followed in most industries. The average hourly earnings quoted in the following table are as at January 1, 1948, as published by the Dominion Bureau of Statistics.

Wage Increases Announcements, March, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hourly earnings 104.0¢)			
<u>Coal Mining:</u> (Av. hourly earnings 115.3¢)			
Bras d'Or Coal Co. Franklyn Mine, N.S.	40-50¢ per day	March 1/48	200
Colonial Mine, N.S.	40 ¢ per day	"	125
<u>MANUFACTURING</u> (Av. hourly earnings 86.6¢)			
<u>Meat Products:</u> (Av. hourly earnings 94.4¢)			
Coleman Packing Co. Ltd., London, Ont.	7¢ per hr.	March 6/48	110
<u>Rough & Dressed Lumber:</u> (Av. hourly earnings 86.0¢)			
Reid Lumber Co., Toronto, Ont.	10¢ per hr.	March 8/48	30
Painchaud & Freres, Shawinigan Falls, P.Q.	20-25¢ per hr.	Feb. 2/48	35
<u>Printing and Publishing:</u> (Av. hourly earnings 94.8¢)			
Canadian Bank Note Co. Ltd., Ottawa, Ont.	10¢ per hr.	Feb. 15/48	440
<u>Rubber Products:</u> (Av. hourly earnings 93.7¢)			
St. Lawrence Rubber Co., Farnham P.Q.	10¢ per hr.	March 5/48	60
<u>Cotton Yarn & Cloth:</u> (Av. hourly earnings 67.8¢)			
Caldwell Linen Mills Ltd., Iroquois, Ont.			
Hourly workers	5¢ per hr.	March 3/48	(200
Piecework	10%	"	
Powdrell & Alexander of Can. Ltd. Cornwall, Ont.	4-19¢ per hr.	Jan. 1/48	125
<u>Woollen Yarn & Cloth:</u> (Av. hourly earnings 66.8¢)			
Huntingdon Woollen Mills, Huntingdon, P.Q.	Av. \$5. per wk.	March 9/48	280
<u>Garments & Personal Furnishings:</u> (Av. hourly earnings 67.4¢)			
Winnipeg Fur Dressing & Dyeing Plants, Winnipeg, Manitoba	5¢ per hr. 2¢ per hr.	March 1/48 July 1/48	370
Montreal Dress Manufacturers Guild, Montreal, P.Q.	\$3-\$3.60 per wk.	March 3/48	2,000

Wage Increases Announcements (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>Beverages: (Av. hourly earnings 86.3¢)</u>			
National Breweries Ltd., Montreal, P.Q.			
Dawes Black Horse, Brewery, Montreal, P.Q.	8¢ per hr.	Jan. 1/48	600
Dow Brewery " "	"	"	470
Frontenac Brewery " "	"	"	190
Dawes Draught Ale Brewery " "	"	"	120
Boswell Breweries, Quebec, P.Q.	"	"	230
Salaried Employees in all Breweries	\$15. per mo.	"	500
<u>Primary Iron & Steel:</u>			
(Av. hourly earnings 101.2¢)			
Steel Company of Canada, Ltd., Hamilton, Ont.	11 ¹ / ₂ ¢ per hr.	Apr. 1/48	5,900
<u>Agricultural Implements:</u>			
(Av. hourly earnings 98.8¢)			
International Harvester Co., Chatham, Ont.	10¢ per hr.	Mar. 15/48	485
<u>Railway Rolling Stock:</u>			
(Av. hourly earnings 95.2¢)			
National Steel Car Co., Hamilton, Ont.	10-13 ¹ / ₂ ¢ per hr.	Mar. 1/48	1,470
<u>Steel Shipbuilding & Repairing:</u>			
(Av. hourly earnings 97.5¢)			
H.M.C. Dockyard, Halifax, N.S.	8¢ per hr.	Jan. 3/48	1,000
<u>Hardware, Tools & Cutlery:</u>			
(Av. hourly earnings 86.0¢)			
Canadian Warren-Pink Ltd., St. Catharines, Ont.	5¢ per hr.	Mar. 8/48	45
<u>TRANSPORTATION</u>			
<u>Local Transportation:</u>			
(Av. hourly earnings 90.7¢)			
British Columbia Electric Co., Vancouver and Victoria, B.C.	10¢ per hr.	July 29/47	600
	10¢ per hr.	Jan. 1/48	
Western Canada Greyhound Lines, Provinces of Manitoba, Saskatchewan, Alberta and British Columbia	Av. \$20. per mo.	Jan. 1/48	425

Wage Increases Announcements (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>Water Transportation</u>			
Algoma Central Steamship Co.,	\$25-\$35.		
Sault Ste. Marie, Ont.	per mo.	Mar. 5/48	145
Paterson & Powell Lines, Fort William, Ont.	"	Mar.19/48	600
Keystone Transportation Co., Montreal, P.Q.	"	"	220
National Sand & Material Co., Toronto, Ont.	"	"	40
Transit Tankers & Terminals Ltd., Montreal,	\$30-\$40.		
P.Q.	per mo.	"	65
Sarnia Steamship Co. Port Colborne, Ont. (U.P.) ^X	\$30. per mo.	Mar.10/48	220
Colonial Steamship Co. " " "	"	"	140
Canada Steamship Co., Toronto, Ont. "	"	Mar. 7/48	2,600
Northwest Steamship Co., " " "	"	Mar.10/48	50
Cyprus Field & Lord Kelvin(Cable Ships) "			
Halifax, N.S.	\$20. per mo.	Mar. 1/48	110
Shell Tankers (5 vessels) Toronto, Ont.	\$25. per mo.	Mar.12/48	175
Upper Lakes & St. Lawrence Transportation			
Co., Montreal, P.Q.	"	Mar. 4/48	635
Dartmouth Ferry Commission, Dartmouth, N.S.	\$10. per mo.	Mar.15/48	95
<u>CONSTRUCTION</u>			
<u>Building:</u> (Av. hourly earnings 96.8¢)			
Construction Workers, Counties of East &			
West Abitibi, Chicoutimi, Lake St.	10-15¢		
John, Roberval and Saguenay, P.Q.	per hr.	Mar.16/48	1,590

^X Unlicensed personnel

CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

A total of 8,460 workers were affected by lay-offs during March, as reported by National Employment Service offices. Of these, 21 per cent were laid off because of seasonal inactivity, 19 per cent from lack of orders and 9 per cent from material shortages. The remaining lay-offs during March had various causes. The most outstanding was the change in the type of automobile model being produced in one of the large Canadian firms. This will result in a two-month work stoppage with over 4,000 workers involved during March and an additional 1,500 during April.

During the past two years, Canadian manufacturing industries have been expanding steadily in an attempt to meet the large demand for all types of manufacturing products which existed both here and in other countries. This backlog of demand for civilian goods was built up throughout the war years and even yet has not been satisfied in any general manner. As a result, manufacturing employment has been steadily increasing and currently is about 3 per cent above last year's level and about 19 per cent above the average 1946 level.

For some types of goods, however, current supplies are beginning to match existing demand. A larger supply of goods is now being produced because of expanded production facilities; on the other hand, higher prices have lessened demand for some types of goods.

In many cases, such an equilibrium between demand and supply has resulted in the lay-off of a number of workers in the industry concerned. A certain number of such lay-offs of course, are to be expected at any time, since industry is constantly adapting its productive facilities to changes in the volume and nature of demand. For the most part, lay-offs which are currently taking place as a result of a shortage of orders are of this temporary nature. The workers involved, therefore, can find work in other fields where shortages of labour continue to exist.

Lay-offs are also currently taking place because of material shortages. This is particularly true in industries utilizing steel products, although such lay-offs are occurring sporadically in a few other fields. From time to time, the import restrictions on goods from the United States have resulted in lay-offs of a few workers, but, as yet, there have been only isolated instances.

Lay-offs may also take place because of seasonal inactivity or because of other temporary developments such as repairs or stock-taking. For the most part, such work stoppages are only of a temporary nature.

In order to have current information available on the extent and nature of lay-offs in manufacturing industries, the offices of the National Employment Service are reporting any such developments as soon as they occur. These reports will henceforth be tabulated and presented in the following table in this section of the Canadian Labour Market. It should be clearly understood that such reports do not provide a complete listing of all lay-offs that occur in the country. For the most part, however, the listing will be fairly complete and will certainly include all major lay-offs.

Table I—Lay-offs Reported by National Employment Service Offices
in Manufacturing Industries during March, 1948

Industry - Locality	Number Affected	Reason for Lay-off
<u>Food and Beverages -</u>	1,429	
Brantford, Ont.	130	Shortage of orders
Guelph, Ont.	6	Shortage of orders
Hamilton, Ont.	30	Shortage of orders
Leamington, Ont.	352	Shortage of materials due to import restrictions
London, Ont.	500	Seasonal
Simcoe, Ont.	56	Seasonal
Toronto, Ont.	30	Seasonal
Trenton, Ont.	70	Repairs to plant equipment
Wallaceburg, Ont.	200	Seasonal
Brandon, Man.	25	Shortage of orders
Winnipeg, Man.	30	Seasonal
<u>Tobacco Products -</u>	929	
Joliette, P.Q.	236	Seasonal
Montreal, P.Q.	160	Shortage of orders
Leamington, Ont.	148	Seasonal
Simcoe Ont.	385	Seasonal
<u>Rubber Products -</u>	167	
Beauharnois, P.Q.	17	Shortage of materials due to import restrictions
St. Jerome, P.Q.	75	Shortage of orders
Toronto, Ont.	75	Shortage of orders
<u>Leather Products -</u>	29	
Brampton, Ont.	9	Shortage of orders
Guelph, Ont.	20	Shortage of orders
<u>Textile Products -</u>	378	
Truro, N.S.	30	Shortage of orders
Drummondville, P.Q.	8	Seasonal
Granby, P.Q.	15	Shortage of orders
Sherbrooke, P.Q.	24	Factory destroyed by fire
Victoriaville, P.Q.	175	Shortage of orders
Carleton Place, Ont.	100	Shortage of materials
Guelph, Ont.	20	Shortage of orders
Simcoe, Ont.	6	Shortage of orders

Table I (Cont'd)

Industry - Locality	Number Affected	Reason for Lay-off
<u>Clothing -</u>	95	
Joliette, P.Q.	95	Shortage of orders
<u>Wood Products -</u>	130	
Springhill, N.S.	25	Seasonal
Plessisville, P.Q.	10	Shortage of orders
East Angus, P.Q.	25	Seasonal
Victoriaville, P.Q.	20	Shortage of orders
Oshawa, Ont.	12	Change in type of product
Simcoe, Ont.	13	Seasonal
Victoria, B.C.	25	Installation of labour-saving machinery
<u>Paper Products -</u>	94	
Beauharnois, P.Q.	5	Seasonal
Buckingham, P.Q.	5	Seasonal
Riviere-du-Loup, P.Q.	14	Seasonal
Kenora, Ont.	70	Seasonal
<u>Iron & Steel Products -</u>	380	
Plessisville, P.Q.	25	Shortage of cast iron
Galt, Ont.	10	Shortage of orders
Hamilton, Ont.	60	Shortage of materials
Oshawa, Ont.	165	Shortage of orders
St. Catharines, Ont.	30	Shortage of orders
Toronto, Ont.	30	Shortage of materials
Calgary, Alta.	60	Shortage of materials
<u>Transportation Equipment -</u>	4,259	
Montreal, P.Q.	50	Shortage of orders
Hamilton, Ont.	65	Shortage of materials
Windsor, Ont.	4,144	Change in automobile model
<u>Non-Ferrous Metals -</u>	59	
Beauharnois, P.Q.	6	Change in production program
Levis, P.Q.	35	Shortage of orders
Toronto, Ont.	18	Shortage of aluminum plate
<u>Electrical Apparatus -</u>	142	
Montreal, P.Q.	50	Shortage of orders
London, Ont.	14	Shortage of orders
Toronto, Ont.	78	Shortage of orders

Table I (Concl'd)

Industry - Locality	Number Affected	Reason for Lay-off
<u>Non-Metallic Minerals -</u>	91	
London, Ont.	21	Shortage of orders
Wallaceburg, Ont.	20	Shortage of orders
Estevan, Sask.	50	Repairs to equipment
<u>Chemical Products -</u>	28	
Buckingham, P.Q.	13	Shortage of orders
Lachute, P.Q.	8	Shortage of orders
Valleyfield, P.Q.	7	Shortage of orders
<u>Miscellaneous -</u>	250	
Montmagny, P.Q.	7	Shortage of orders
Montreal, P.Q.	150	Shortage of orders
Brampton, Ont.	12	Shortage of orders
London, Ont.	15	Shortage of orders
Winnipeg, Man.	66	Shortage of orders
Grand Total	8,460	

REGIONAL ANALYSIS

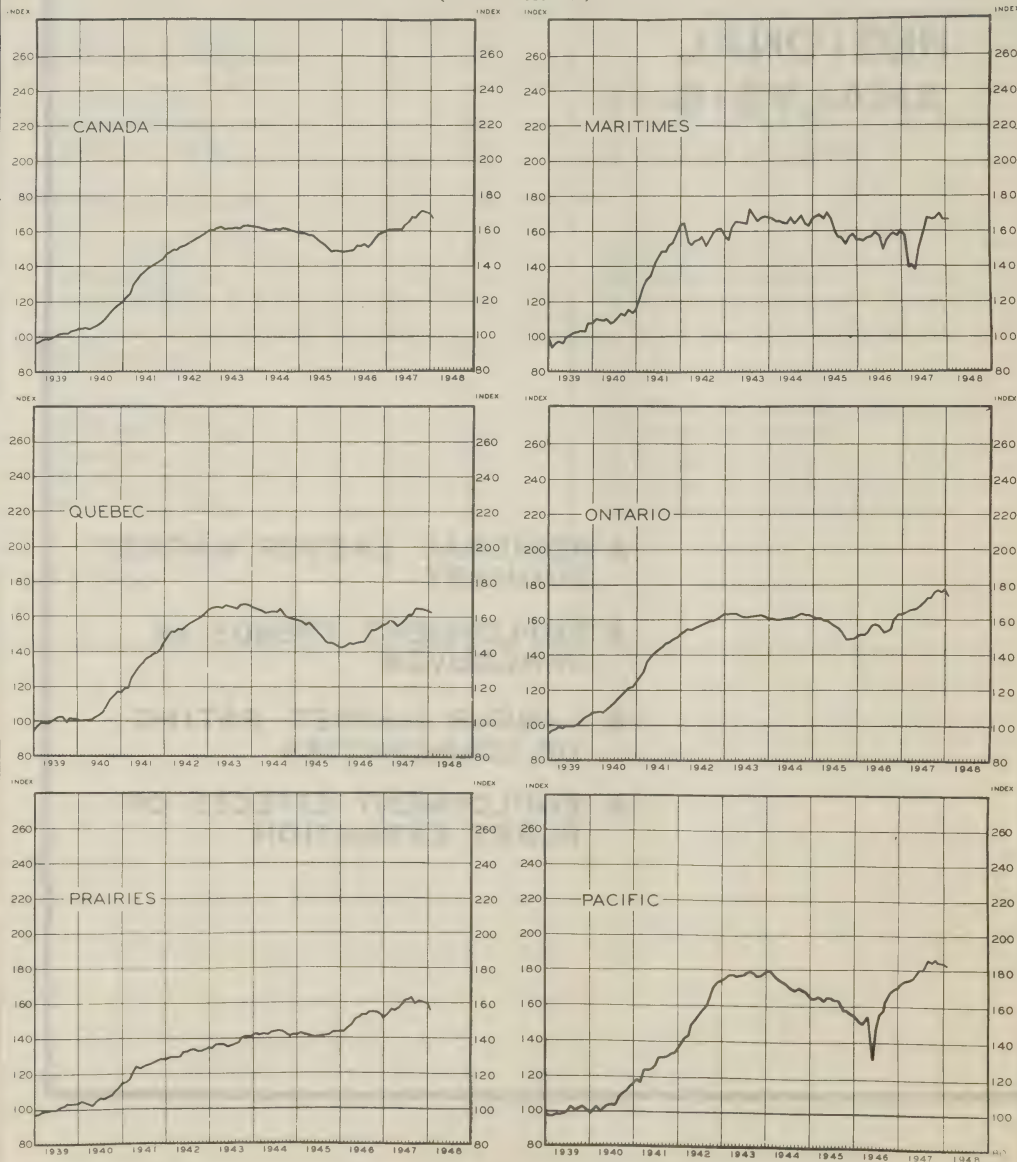
- ▲ REGIONAL LABOUR MARKET SUMMARY
- ▲ EMPLOYMENT TRENDS IN VANCOUVER
- ▲ LABOUR MARKET RATING OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF PLANT EXPANSION

REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO 1947

(AVERAGE - 1939 = 100)



SOURCE: EMPLOYMENT AND INFLUENCE BRANCH - D.B.S.

RESEARCH AND STATISTICS BRANCH - DEPT. OF LABOUR

REGIONAL LABOUR MARKET SUMMARY

This section presents a survey of the manpower situation in the five Canadian regional economies during the month of March. By the third week in March, all five regions in Canada showed improved employment conditions. Ontario led the way, since the turning-point was reached as early as the second week in February. In the Pacific and Prairie regions, job prospects began to brighten in the first week in March. The seasonal upswing of employment in the Maritimes and Quebec regions commenced during the third week in March.

The Maritimes

Although a decline had occurred by April 1, at March 18, 1948, a peak of 26,900 unplaced applicants was reached in the Maritimes, 2,700 fewer than at the peak period in 1947. At the same time, there were less than one-half the number of unfilled vacancies at March 25, 1948, than at the same time in 1947. Thus while there were roughly 8 unplaced applicants for every one vacancy at the seasonal low in 1947, there were 14 unplaced applicants for every job vacancy at March 25, 1948.

The main upswing in employment in the near future will occur in the construction industry. At present, it is expected that most skilled construction workers will find jobs during the summer months but that a certain amount of unemployment will persist amongst the unskilled trades.

The construction industry will assume an even greater role in the economy of the Maritimes during the next seven or eight months than it did during the same period last year. Forecasts by the Department of Reconstruction and Supply indicate that about \$24,693,000 will be invested on construction by manufacturing, mining, woods operations, and selected utilities in 1948; these expenditures represent a considerable increase over 1947, when total capital expenditures amounted to \$21,472,000.

The forecast increase in capital expenditures on construction in 1948 will make up for a forecast decrease of \$1,491,000 in expenditures on machinery and equipment.

Poor weather conditions are hindering saw-mill operations in many districts. Since operations in most areas were completed early this year, there is little demand for woodsmen at present and very little alternative employment.

Manufacturing industries are generally well staffed and few plants are likely to increase hiring during the summer. Employment at the Sydney steel plant is at capacity, but production is limited until repairs on a blast furnace are completed and a new coke oven is ready to operate. Shipbuilding employment is sporadic since either shortage of materials or breaks in ship repair work have caused considerable interruptions.

Coal mines are fully staffed and job openings are few in number; absenteeism has been drastically curbed, and a steady increase in daily production is noted. Strip mining in the Minto area is greatly curtailed by water conditions which caused a large lay-off in this industry for about six weeks.

In general, employment conditions are stagnant at the moment but, as soon as weather conditions permit, the seasonal upswing in activity will improve job prospects considerably.

Quebec

The month of March shows very little change in the overall picture of labour market conditions in the province of Quebec. The year's peak in the number of unplaced applicants was reached about the middle of March when there were 58,500 applicants registered for employment. There were roughly 7,000 more unplaced applicants, and 17,000 fewer job vacancies, at the seasonal peak this year than at the same time in 1947.

There has been a mild upswing in seasonal employment during March but it is still too early for a major increase in employment activity. However, employment conditions are definitely over the hump, and considerable improvement can be expected during the latter part of April and during May.

The most active labour movement during the month of March concerned logging and pulpwood operations, which, for the most part, were closed down by the middle of March. This sharp reduction in woods operations has preceded the seasonal upswing in other industries, and is largely responsible for the sustained level of unplaced applicants during March. The river drive will probably start by April 15 in most districts and many men will be employed at that time.

Orders for agricultural labour through National Employment Service offices are starting to appear, but as yet no accurate estimate can be made gross labour requirements. The usual movement of farmers from manufacturing and logging firms to farming is now under way, and is creating job opportunities where replacements are required.

There is some construction work under way, but it will be well into April or May before the industry nearly approaches full operation. A shortage of skilled construction labour is expected to re-occur in the 1948 season, when many unskilled workers, unemployed during the winter months, will be able to secure jobs. According to forecasts made by the Department of Reconstruction and Supply, capital expenditures on construction by manufacturing, mining, woods operations, and selected utilities, will show a slight decline in 1948. Capital investment on construction for 1948 is forecast as \$132,977,000; similar investment in 1947 amounted to \$137,400,000.

Capital expenditures for machinery and equipment by the same industries in 1948 will be considerably higher than in 1947, according to the Reconstruction report. Capital investment in this category totalled \$228,003,000 in 1947 and is forecast at about \$252,878,000 in 1948. In 1947, these industries invested a total of \$365 million, while in 1948

expenditures will gross about \$386 million.

Ontario

The number of unplaced applicants continued to decline during March, after reaching the seasonal peak in the second week in February. The decline during March was at a slower rate than in February, when the natural gas and power shortages caused a great deal of temporary unemployment. The number of unplaced applicants declined from 57,366 at February 12, when the power shortage began to ease, to 51,770 at March 4. Between March 4, and March 25, there was a slower decline from 51,770 to 50,090.

By the end of March, all districts reported power supplies back to normal and as a result many plants in the areas affected were hiring additional help to catch up on back orders. Mines in Northern Ontario are also back in full production. At Kirkland Lake, mines will absorb 100 displaced persons in the near future.

The highlights of the labour market in Ontario during March were the upswing in construction work, the growing demand for agricultural workers, and the usual seasonal shift of workers from factories to jobs in agriculture or construction. In most instances, manufacturing industries are working at capacity, although the canning industry will be seasonally inactive until June. In addition, one branch of the radio industry reports a flooded market for small radios. The only effect so far reported from the soft coal strike in the United States is a shortage of skelp which has caused a shutdown of one department in Page Hersey Tubes, Limited, Welland, Ontario. The automotive industry and feeder plants in the Windsor district have had large temporary lay-offs because of a change in the type of model being produced by the Ford Motor Company. Material shortages are still hampering some branches of manufacturing industry.

According to forecasts made by the Department of Reconstruction and Supply this year, capital investment promises to be more active in 1948 than 1947. However, such investment will be largely confined to construction and the installation of new machinery and equipment in such industries as manufacturing, mining, logging and selected utilities.

Capital expenditure on construction by the industries mentioned is expected to gross \$236,994,000 in 1948; this compares with \$198,642,000 in 1947. A "barrier" year in construction activity is expected in many localities. This, of course, will mean more employment for unskilled labour, which forms the largest part of the seasonally unemployed.

Capital expenditure for machinery and equipment by manufacturing, mining, woods operation, and selected utilities was estimated at \$395,077,000 in 1947 while investment for 1948 is set at \$469,213,000.

Total capital expenditure in 1947 by the industries mentioned has been estimated as \$593,719,000 compared to the much larger investment of \$706,207,000 which is forecast for 1948.

The Prairies

Although the number of unplaced applicants in the Prairie region reached a seasonal peak at the end of February, severe storms in most of

the Prairie region blocked rural transportation and reduced the tempo of the seasonal upswing of activity in agriculture and construction.

Nevertheless, the level of unplaced applicants continued to decline during March, and at the end of the month numbered 31,600. This showed only a slight decrease from the seasonal peak of 32,500 at the end of February. At the end of March 1948, unfilled vacancies were slightly more than one-half as numerous as one year ago.

Unemployment in the Prairie region during the winter of 1947-48 was less severe than during the previous winter. Conditions were considered very favourable by employment officials since there was never more than three per cent of the labour force out of work at any time. The number of people drawing unemployment insurance benefits and D.V.A. out-of-work allowances from National Employment Service offices in the region was nineteen per cent lower than at this time last year. There is every indication that the employment situation in the spring and summer of 1948 will be as buoyant as the situation which prevailed last year.

Employment outside the province was an important factor in keeping seasonal unemployment at a low level this past winter. Hundreds of men secured work in Ontario and B.C. logging camps during the past winter, and at least 500 workers from the Prairies are still employed on hydro-electric projects in Ontario.

Primary industry and construction will soon be in full swing. In the manufacturing field, many flour mills in the region are working at from one-half to two-thirds capacity and little improvement is expected until the new grain crop is harvested. Packing plants have been operating at low levels during March since the flow of livestock was curtailed by impassable roads. Packing houses in the Winnipeg area report large quantities of pork in storage with export business slow. Some of the smaller coal mines are reducing to summer schedules.

Forecasts of capital expenditure made by the Department of Reconstruction and Supply show that proposed capital investment in 1948 on construction, machinery, and equipment by manufacturing, mining, woods operations, and selected utilities will be considerably higher than in 1947. Gross capital expenditure is forecast as \$88,913,000 in 1947, compared to \$94,618,000 in 1948. Virtually all of the proposed gain in capital investment from 1947 to 1948 is due to an expected increase in construction.

British Columbia

The usual seasonal upswing in construction, logging, and agriculture is about one month later than last year. Activity in these three major industries was hampered or prohibited during March because of severe weather. The number of unplaced applicants declined by almost 4,000 during March of 1947; the drop was about 2,300 in the same period this year. When the seasonal peak was reached at March 4, there were 31,900 unplaced applicants, 3,100 more than at the seasonal peak in 1947. Unfilled vacancies at the end of March 1948 were roughly one-third as plentiful as at the same time in 1947.

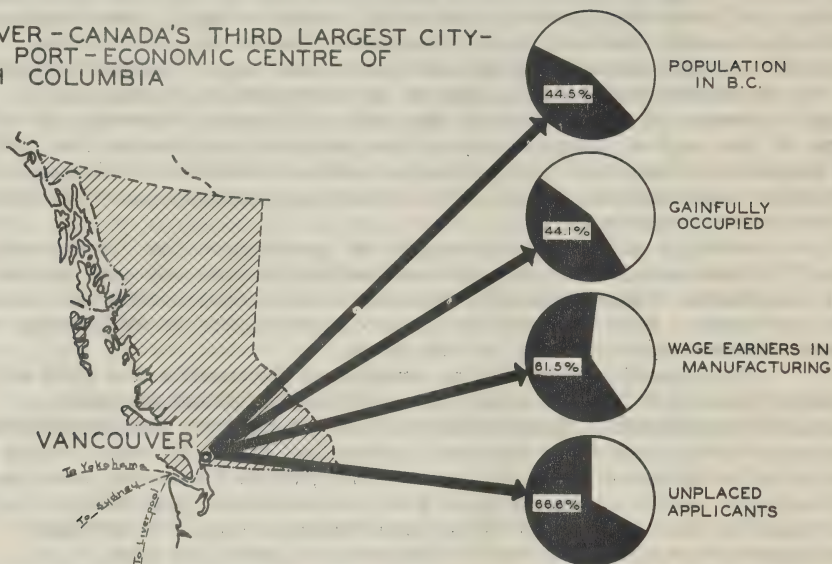
A large number of loggers are still drawing unemployment insurance. Logging operations in most areas should commence gradually during April and will probably be in full swing by May. Construction activity is very slow and it will be several weeks before building construction and extensive road work gets under way. Construction work in the Vancouver district will not be as extensive as during 1947, largely because of high costs of material and labour. However, in other parts of the region, large construction projects are planned for 1948 and hundreds of men will be absorbed as soon as weather conditions permit. Orders for agricultural labour are increasing gradually and will improve as the season progresses.

Shingle mills are once again in operation after a temporary lay-off. Base metal mines are better staffed than at any time in the last six years. Placer mines in the north will require many more men than last year. B.C. Forestry Service operations are in full swing and several hundred men are busy in this work.

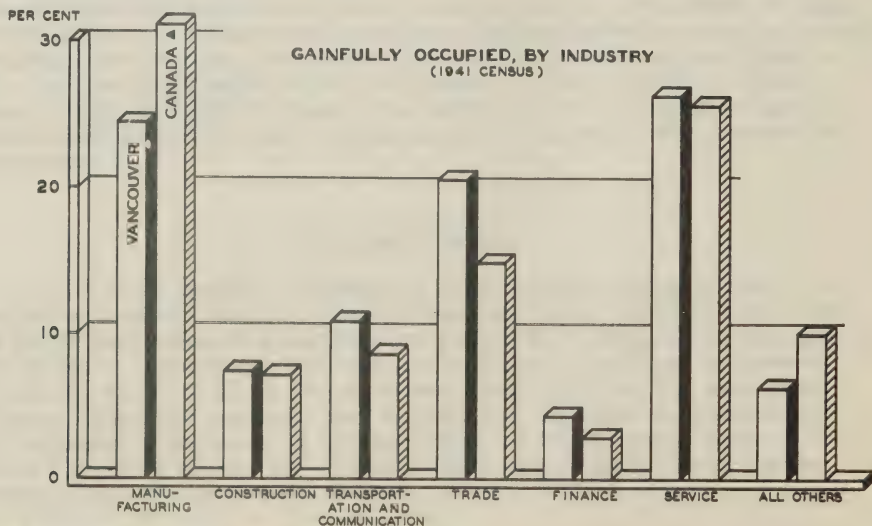
Employment prospects are considered favourable for 1948 and primary industry will soon absorb many of the unskilled workers seasonally unemployed. Many interior towns state that when construction, logging, mining, and other seasonal industries get under way, nearly all the suitable labour will be employed. The greater Vancouver area is and has been the centre of the largest group of unplaced applicants; unskilled workers will probably be more numerous than job openings particularly for those men who do not want to leave the area.

VANCOUVER, B.C.

VANCOUVER - CANADA'S THIRD LARGEST CITY-
PACIFIC PORT - ECONOMIC CENTRE OF
BRITISH COLUMBIA



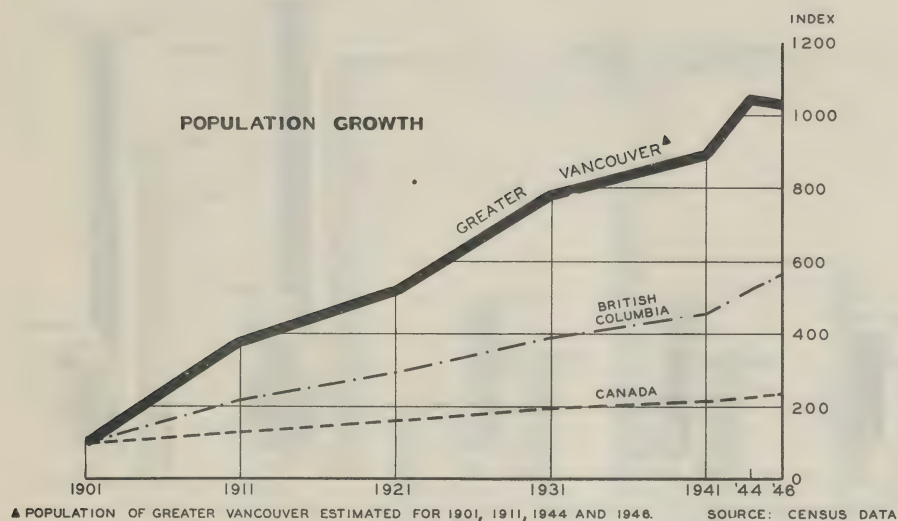
VANCOUVER'S ROLE IS THREE FOLD - TO PROCESS FOREST AND FISHERY PRODUCTS, TO SERVICE A LARGE HINTERLAND, AND TO HANDLE OVERSEAS TRADE.



▲ PERCENTAGE OF GAINFULLY OCCUPIED IN NON-AGRICULTURAL INDUSTRY.
M. 4 - G. 1

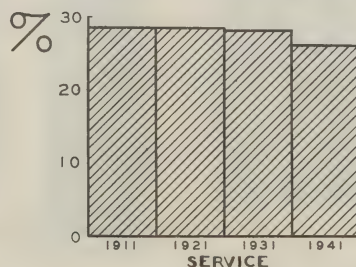
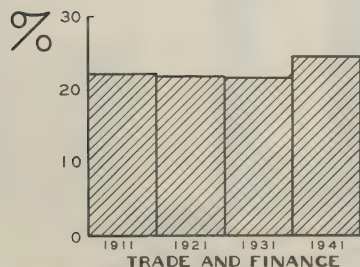
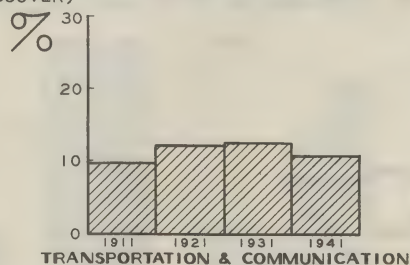
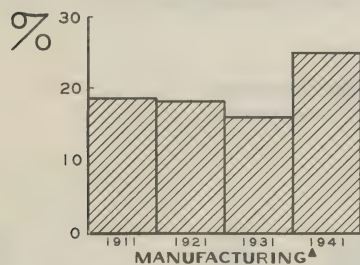
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THE RAPID GROWTH OF THIS COMPARATIVELY NEW CITY HAS BEEN PHENOMENAL.



BUT LITTLE CHANGE OCCURRED IN THE INDUSTRIAL DISTRIBUTION OF THE WORKING POPULATION UNTIL WORLD WAR II.

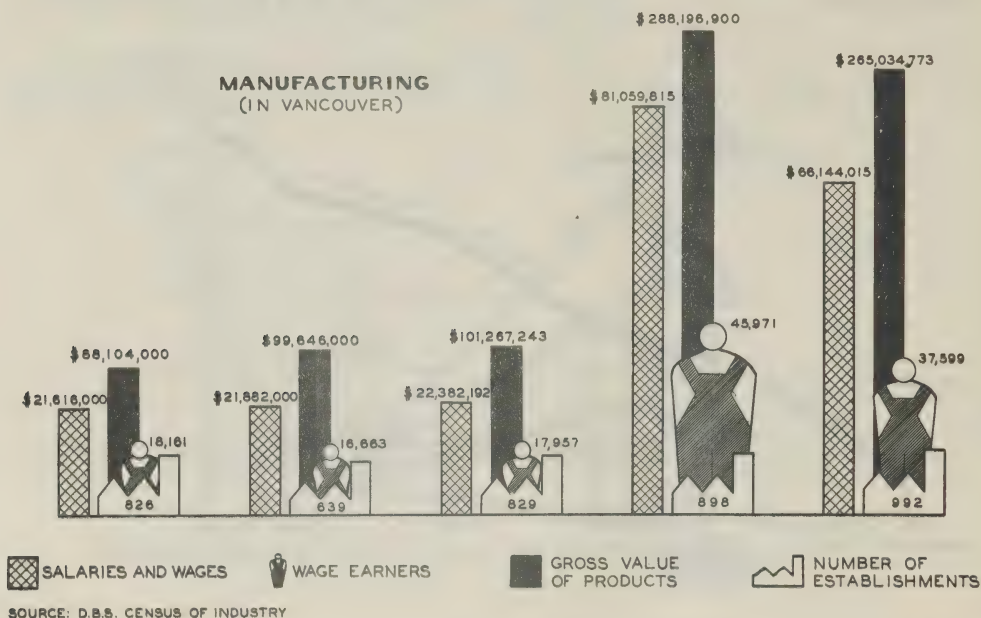
**INDUSTRIAL DISTRIBUTION OF GAINFULLY OCCUPIED
(IN VANCOUVER)**



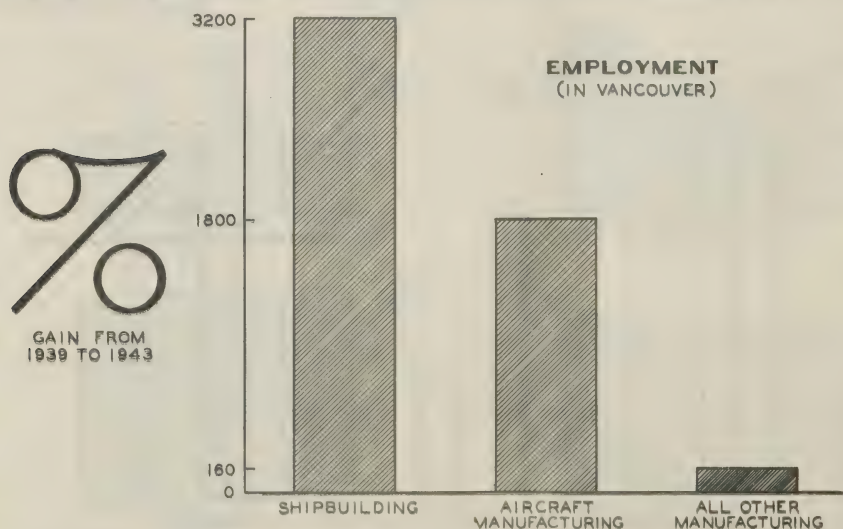
▲ INCLUDES ELECTRIC LIGHT AND POWER
M. 4 - G. 2

SOURCE: CENSUS DATA
CONTINUED ON NEXT PAGE

THE WAR CAUSED A GREAT EXPANSION IN MANUFACTURING.



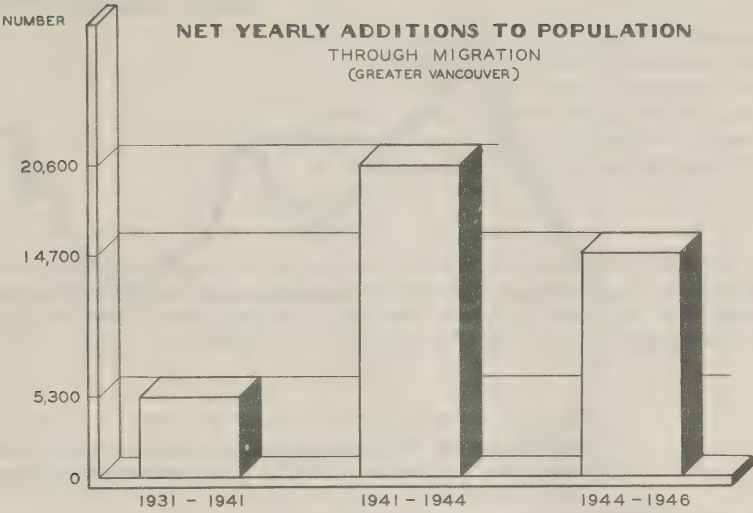
THIS EXPANSION WAS CONCENTRATED IN TWO INDUSTRIES.



SOURCE: R. & S. AND D.B.S. CENSUS OF INDUSTRY
M.1 - G.3

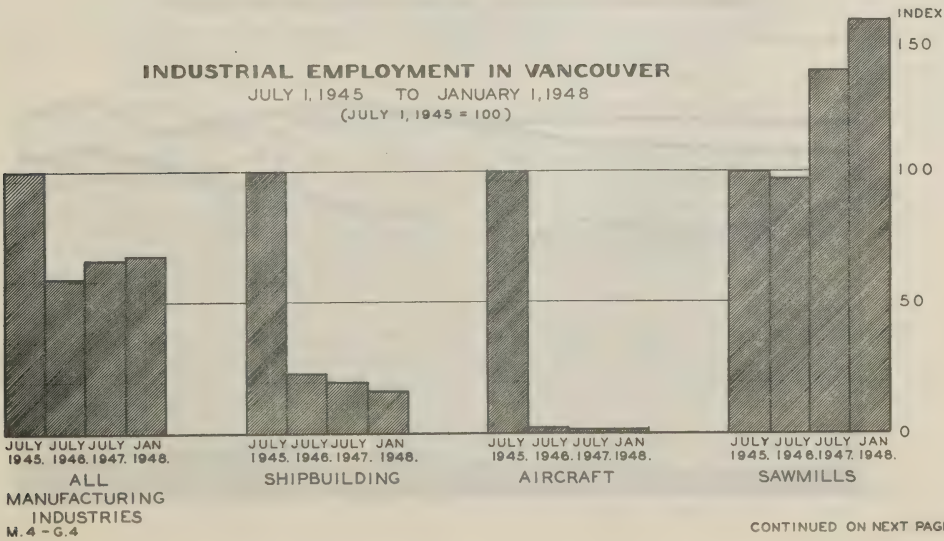
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MANY PEOPLE CAME TO VANCOUVER TO WORK IN WAR INDUSTRY.



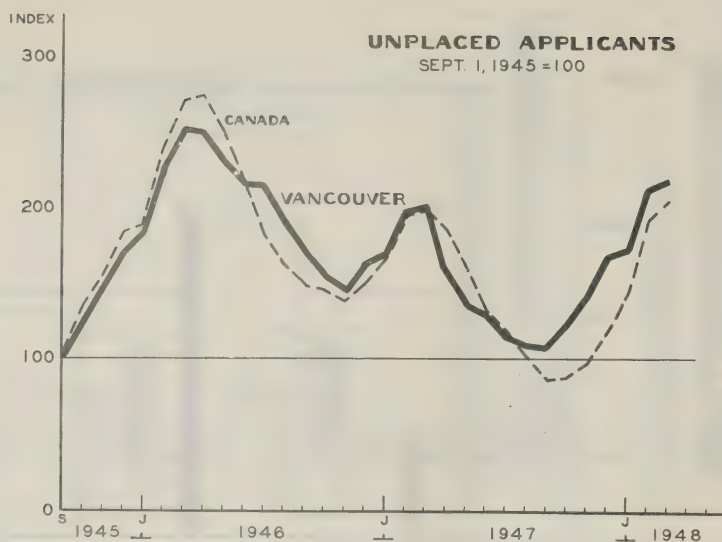
SOURCE: D. B. S.

WITH THE END OF THE WAR, EMPLOYMENT IN SHIPBUILDING AND AIRCRAFT WAS SHARPLY REDUCED.



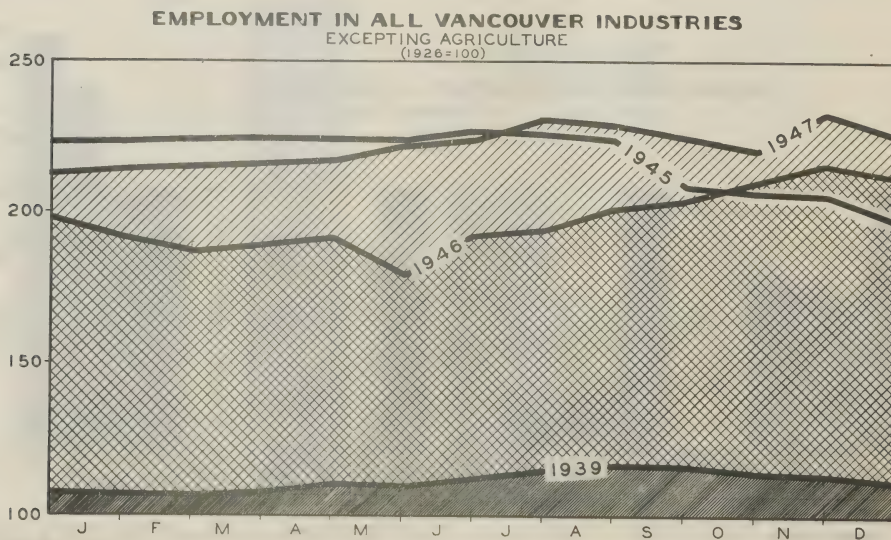
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THE NUMBER OF UNPLACED APPLICANTS ROSE.



SOURCE: N.E.S. STATISTICS

BUT EMPLOYMENT HAD RECOVERED BY THE END OF 1946 - TOPPED PREVIOUS PEACETIME LEVELS IN 1947 AND SHOULD GO HIGHER IN 1948.



LABOUR MARKET RATING OF COMMUNITIES

In the following table 38 of the major labour market areas in Canada are classified according to the number of unplaced applicants registered with the National Employment Service in each. During the past year, there have been several changes in the group ratings of the 38 major labour market areas. Explanations of the most significant changes will be found in the following pages.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I -- Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II -- Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III -- Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV -- Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying labour market conditions as they are pictured by the local National Employment Service office. The ratings for October and November of 1947 are preliminary.

Table II -Labour Market Rating of Communities

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	March 1, 1948	February 1, 1948	March 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	II
Vancouver.....	III	III	III
Windsor.....	III	III	III
Winnipeg.....	III	III	III
Ottawa.....	III	III	III
Hamilton.....	IV	IV	IV
Montreal.....	IV	IV	IV
Toronto.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Hull.....	II	II	II
Oshawa.....	III	III	III
Three Rivers.....	III	III	III
Kingston.....	III	III	IV
St. Catharines.....	III	IV	III
Saskatoon.....	III	III	III
Victoria.....	IV	IV	IV
Brantford.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Kitchener-Waterloo.....	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Sorel.....	I	I	III
New Glasgow-Pictou.....	II	II	I
Amherst.....	II	II	II
Valleyfield.....	II	III	III
Shawinigan Falls.....	III	III	III
Chicoutimi.....	III	III	III
Welland.....	III	III	III
Niagara Falls.....	IV	IV	IV
Trail.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV
<u>Population of under 25,000</u>			
Sydney.....	II	II	I
Halifax.....	III	III	III
St. John.....	III	III	III
Calgary.....	III	III	III
Regina.....	III	III	III
Edmonton.....	IV	IV	III
Ft. William-Port Arthur.....	IV	IV	III
London.....	IV	IV	IV

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits if their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

Explanation of Changes in Rating of Selected Areas

During the past twelve months, there have been several changes in the labour market rating for certain areas. The reasons for some of these changes are outlined below.

Sydney

The employment situation in Sydney, classified as Serious at March 1, 1948, has improved considerably during the past twelve months. A year ago, at March 1, 1947, the situation was labelled Acute, because of the seven to ten ratio of unplaced applicants to wage and salary workers at work. The situation was acute at that time only because of the strike in the Nova Scotia coal mining industry which lasted from mid-February to the end of May. However, by July 1, 1947, all the striking miners were back at work and, since that time, employment in Sydney has kept well above the October 1, 1947 total of 17,100. At March 1, wage and salary workers in Sydney totalled 17,600.

Valleyfield

The Valleyfield labour market area, classified as Moderate at February 1, 1948, moved into the group labelled Serious at March 1, 1948. At February 1, 1948, the ratio of unplaced applicants to wage and salary workers at work was 1938 - 1000; at March 1, 1948, the ratio was 152 - 1000.

The continued reduction of staff at the War Assets Clothing Reclamation Depot was largely responsible for the increased number of unplaced applicants. For the past six months, this firm has been gradually releasing its workers until it closes completely at the end of March. The majority of those released have applied for Unemployment Insurance benefits.

Fort William - Port Arthur

One year ago, labour market conditions in this area were termed Moderate, with 95 unplaced applicants registered with the National Employment Service for every 1,000 non-agricultural wage and salary workers. This year, at March 1, 1948, employment conditions were considerably better. There were only 44 applicants per 1,000 wage and salary workers. Labour market conditions, therefore, now are Favourable.

The major cause of this improvement has been the expansion of the pulp and paper industry in the lakehead district. As a result, total employment in the district has increased by approximately 9,000 during the past year. Employment increases in iron and steel manufacturing, transportation, and trade were also responsible for the general improvement.

Since the capital expansion of the pulp and paper industry in the lakehead industry is still in progress, there will be an even further improvement in the area employment situation during the coming year.

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The following report gives an indication of the industrial expansion planned for 1948 - both new projects and those not completed in 1947. Industrial expansion includes new plants, plant extensions, or the use of present plant facilities. This information is listed by industry within each area and will be provided in similar table form from month to month in the Canadian Labour Market.

In 1947, a total of \$513 million was invested by manufacturing firms for new plants, machinery and equipment. This was \$213 million more than was invested in 1946 and three times the volume of capital expenditures in 1945. Business men forecast that capital expenditures in 1948 will increase further to \$554 million.

With respect to the labour market, such capital investment represents an important addition to the number of jobs available. Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where the new industries are located. In addition, industrial expansion has provided a further incentive for the construction of homes in the areas where it has occurred.

For these reasons, therefore, a listing of all such capital expansion, whether it be a new plant, a plant extension, or the occupation of empty plant facilities, will be provided in this section of the Canadian Labour Market from month to month.

This information will be listed by industry within each area, and estimates will be given as to the probable date when the new plant, plant extension, or present plant facility will come into operation. The type of expansion taking place will be denoted as follows: new plant - N.P., plant extension - P.E., and occupation of present plant facilities - P.F.

A few of the many sources for this information are industrial publications, press clippings, narrative reports from National Employment Service offices, and reports from the field interviewers of the Employment Forecast Survey.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

From time to time, the information listed will be summarized and an attempt will be made to analyze the extent of industrial expansion and its effect on local labour markets, keeping in mind other factors such as local housing conditions and local supplies of labour.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable Time of Commence- ment of Production
Mahone Bay, N.S.	Wood and Lumber Products Associated Industries Limited	N.P.	125	3rd Qtr., 1948
Acton Vale, P.Q.	Rubber Products The Acton Rubber Ltd.	P.E.	200	4th Qtr., 1948
Granby, P.Q.	Secondary Iron and Steel Bostitch - Canada Limited	N.P.	50	2nd Qtr., 1948
Montreal, P.Q.	Petroleum Products British American Oil Company Ltd.	P.E.	750	1950
	Secondary Iron and Steel Dominion Engineering Works Ltd.	P.E.	100	3rd Qtr., 1948
	Bakery Products George Weston Biscuit Company Limited	P.F.	240	1st Qtr., 1948
Quebec, P.Q.	Tobacco Products Imperial Tobacco Co. of Canada Ltd.	P.F.	425	1st Qtr., 1948
Scotstown, P.Q.	Textiles Julius Kayser & Co. Ltd.	N.P.	150	4th Qtr., 1948
Belleville, Ont.	Secondary Iron and Steel Corbin Lock Company of Canada Limited	P.E.	100	1st Qtr., 1948
Sarnia, Ont.	Glass Products Fiberglass (Canada) Ltd.	N.P.	175	3rd Qtr., 1948
Toronto, Ont.	Cosmetics J.S. Laing Agencies Ltd.	N.P.	30	1st Qtr., 1948
Whitby, Ont.	Rubber Products The Dunlop Tire and Rubber Company Ltd.	N.P.	1,500	4th Qtr., 1948
St. Pierre, Man.	Textiles Monarch Overall Man. Company Ltd.	N.P.	80	1st Qtr., 1948
Calgary, Alta.	Textiles Woods Manufacturing Co. Limited	N.P.	30	4th Qtr., 1948
Vancouver Island, B.C.	Pulp and Paper H. R. MacMillan Export Company Ltd.	N.P.	200	1950

AN LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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DEPT. OF POLITICAL ECONOMY

April

1948

BAROMETRICS FILE #

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Publications

FEATURE ARTICLE

Forecast of Labour Relations
in Canada from May 1 to
June 30, 1948.

Volume 4

Number 4

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CANADIAN LABOUR MARKET

Published by the authority of

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Minister of Labour

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Deputy Minister of Labour

This is a monthly publication prepared by the Research and Statistics Branch of the Dominion Department of Labour.

The purpose of the report is to provide information on conditions in the labour market on an occupational, industrial, and geographical basis.

The material in this report is organized under three major headings: national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation.

Accordingly, the contents of the report should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

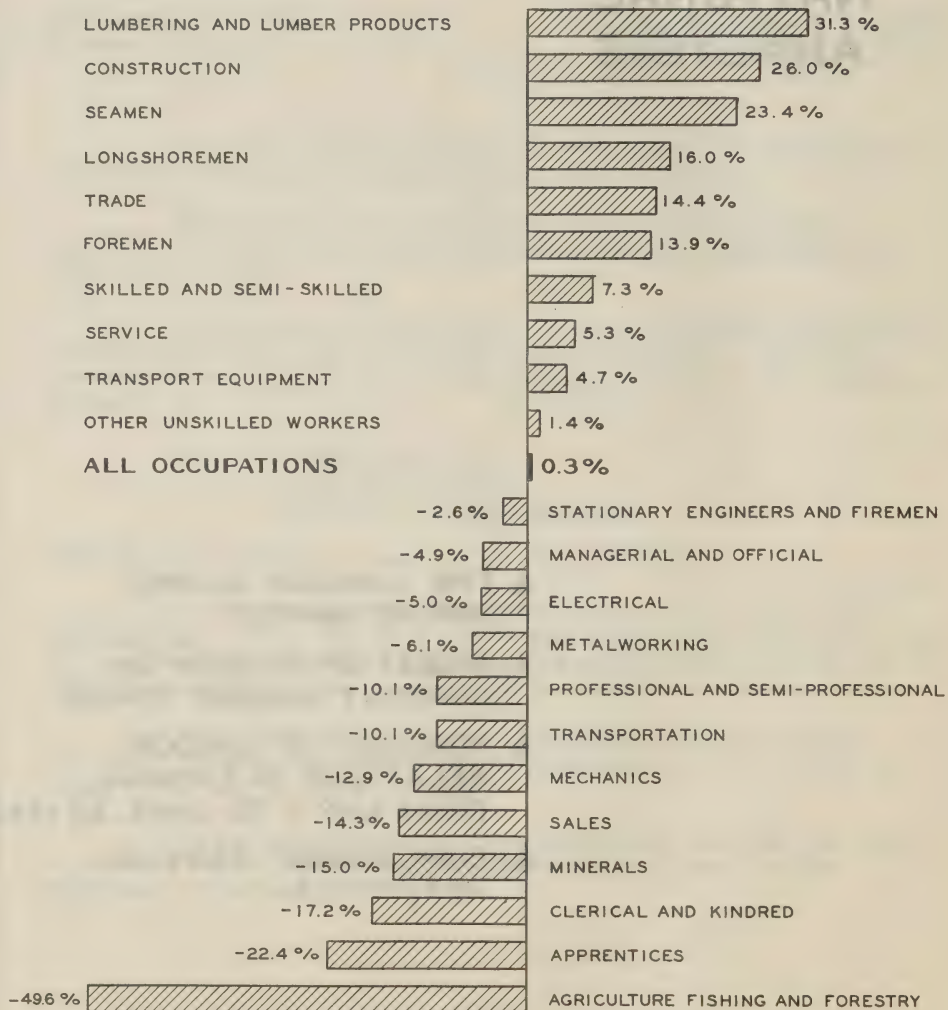
For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING MARCH
- ▲ DIGEST OF OPINION ON
CURRENT LABOUR TOPICS
- ▲ FORECAST OF LABOUR
RELATIONS IN CANADA
FROM MAY 1 TO JUNE 30, 1948
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

UNPLACED APPLICANTS

PERCENTAGE CHANGE MAY 1, 1947 - MAY 1, 1948



THE LABOUR MARKET DURING APRIL

With increased seasonal activity, steady advances were made in employment during the past month. Applicants for work declined by 28,000 during April, while the number of jobs on file rose by 12,000. In many sections of the country, labour shortages have become apparent. The outlook for employment in 1948 continues to be favourable. Increasing numbers of immigrants will arrive and these will be readily absorbed into the working force.

Labour market activity picked up markedly during April, primarily in response to seasonal influences. By the end of the month, employment was undergoing steady advances and unemployment, which at the winter's peak was only 3.2 per cent of the labour force, had fallen off appreciably. In many sections of the country, labour shortages were already becoming apparent.

The job situation at National Employment Service offices reflected these conditions. Applicants registered for work declined by 28,000 during the month of April, while the number of jobs on file rose by 12,000. As a result, the ratio of applicants to jobs decreased from 1 to 5 at the beginning of April to 1 to 3 at the 1st of May.

The number of workers seeking jobs through Employment Service offices, is still slightly more than one year ago. This gap, however, continues to narrow. At the middle of March, there were 13,000 more applicants than at the same time last year; by April 1, the number had been reduced to 11,000. There are now only 7,600 more applicants than one year ago.

On an occupational basis, the number of applicants registered for work at Employment Services offices differs considerably from the pattern at the same time in 1947. At present, more logging, construction, textile and leather workers are seeking jobs than one year ago. The same situation exists with respect to most skilled and semi-skilled manufacturing workers, although not to the same extent.

On the other hand, the job situation is much more favorable than last year for workers in the agriculture, printing and publishing, transportation equipment, clerical, pulp and paper, sales, mining, professional and semi-professional, trade and service, managerial and office, and mining fields.

The programme for increased immigration during 1948 has been very successful to date. Judging from the volume of immigrants during the first 3 months of this year, the 100,000 objective for 1948 will be reached, if not surpassed.

Over 10,000 immigrants entered Canada during March, the highest monthly record since pre-depression years. The group movements of Displaced Persons, a component of the above total, have also been stepped up during the spring months. A total of 10,000 D.P's have arrived since last summer, and taken jobs in Canadian industry. The industrial distribution of the latter group was as follows: logging 36%, domestic service 21%, mining 13%, construction 10%, textile 10%, and labourers for various industries 10%.

The general outlook for employment conditions appears to be favorable. The domestic demand for goods is still generally strong. New capital investment during 1948, in terms of physical volume, is expected to reach the high level achieved in 1947. The European Recovery Programme will sustain effective demand for many of our exportable goods. All in all, therefore, the volume of Canadian employment will likely remain high during 1948. In fact, the summer months should again see more than 5,000,000 Canadian workers at work.

CALENDAR OF LABOUR MARKET EVENTS

April, 1948

- April 1 An offer of a seven cent per hour increase was rejected last night by Local 80, United Rubber Workers' of America (CIO), representing 1,300 employees of the Dominion Rubber Co., Kitchener, Ont.
- April 3 Wage increases were granted to 1,500 members of the Transport Drivers, Helpers and Warehousemen's Union (AFL), employed by 22 companies of the Automotive Transport Association in Montreal.
- April 3 Eight hundred and fifty Displaced Persons arrived in Canada.
- April 8 Three hundred Displaced Persons arrived in Canada.
- April 8 The 83-day Nanaimo, Vancouver Island, coal strike ended with the miners accepting a compromise wage increase.
- April 10 Permission to prosecute Canada Steamships, Sarnia and Colonial Steamships, Northwest Steamships, and the Transit and Terminal Co. for refusal to bargain, was granted the Canadian Seamen's Union by the Canadian Labour Relations Board.
- April 14 An agreement was signed between the United Steelworkers of America (CIO-CCL) and the Dominion Steel and Coal Corp. in Sydney, N.S., providing for a $11\frac{1}{2}$ cent per hour wage increase.
- April 16 Officers on deep-sea vessels on the west coast have reached a settlement with operators. The east coast strike was settled on April 12.
- April 20 Seven hundred and sixty-five Dutch immigrants reached Montreal.
- April 23 Six hundred Displaced Persons arrived in Canada.
- April 26 The demand for a 35 cent per hour wage increase by railway workers was rejected by two government-appointed conciliation boards which recommended a 7 cent per hour increase.
- April 30 Six hundred and forty Displaced Persons arrived in Canada.
- April 30 An agreement was concluded between Algoma Steel Co., Sault Ste. Marie, Ont. and the United Steelworkers of America, which provided for a $10\frac{1}{2}$ cent per hour wage increase.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	Apr. 1948	Mar. 1948	Feb. 1948	Jan. 1948	Mar. 1946	Mar. 1945	Mar. 1943	Mar. 1939
Population:—								
Births (a).....000's	-	14.5	12.9	14.4	11.5	11.8	11.3	7.3
Deaths (a).....000's	-	5.7	5.5	6.9	5.3	5.4	5.2	5.4
Immigration.....000's	-	10.6	5.2	7.2	7.7	1.9	.6	1.2
Civilian Labour Force:—								
Number.....000's	-	4,825	-	-	4,525	-	-	-
Employment:—								
Number.....000's	-	4,669	-	-	4,312	-	-	-
Index (b).....Av. 1926 = 100	-	187.6	187.8	192.0	165.7	175.8	178.5	106.5
Female (b).....%	-	22.2	22.3	22.4	23.8	-	-	-
Unemployment:—								
Number.....000's	-	156	-	-	213	-	-	-
Unplaced applicants (c).....000's	194	201	187	142	264	86	87	-
Live claims.....000's	136	146	131	95	162	30	-	-
Earnings and Hours:—								
Labour income.....\$000,000's	-	-	539	534	412	-	-	-
Per capita wkly. earnings (d).....\$	-	38.02	37.06	37.13	29.88	32.11	-	-
Average hrly. earnings (d).....¢	-	88.0	86.6	86.1	67.9	70.1	-	-
Average real weekly earnings (e) Av. 1946 = 100	-	103.1	101.0	102.4	101.7	110.7	-	-
Average hours per week (d).....	-	43.2	42.8	43.2	44.0	45.8	-	-
Cost of Living:—								
Index.....Av. 1935-39 = 100	151.6	150.8	150.1	148.3	120.1	118.7	117.2	100.6
Strikes and Lockouts:—								
Workers involved.....000's	4	4	11	13	6	5	17	2
Man-working days lost.....000's	49	57	141	136	46	9	31	10
Industrial Productions:—								
Index.....Av. 1935-39 = 100	-	183.3	181.9	177.7	161.5	194.3	201.8	103.9

- (a) In cities, towns and villages, of 10,000 or more persons.
- (b) Based on firms of 15 or more workers, in the nine leading industries.
- (c) Registered with National Employment Service Offices.
- (d) Wage earners in manufacturing only, January data adjusted for holidays.
- (e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

DIGEST OF OPINION ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by business and labour leaders on various topics related to labour conditions. It should be clearly understood that the listing of any opinion in this section does not mean the Research and Statistics Branch is in agreement with it.

WAGES AND PRICES

BUSINESS OPINION:

R.G. Johnson, general manager, Canadian Construction Association: "The C.C.A. advocates the stabilization of construction costs through negotiation of wage agreements on a long-term basis; these should provide for wage rates more closely related to productivity."

IMMIGRATION

LABOUR OPINION:

Annual Brief of Canadian Congress of Labour to the Federal Cabinet:

We strongly advocate that immigration should be the exclusive responsibility of Government and not left to private enterprise. It is our opinion that immigration should come under the direction of the Federal Department of Labour as the branch of government most conversant with employment conditions."

Chas. McClure, president of the Sudbury local of the Lumber and Sawmill Workers' Union: "In the Sudbury district alone, 2,500 men have been laid off since mid-February because lumber companies are hiring Displaced Persons." (The decline in woods employment is entirely seasonal.)

FEDERAL LABOUR CODE

LABOUR OPINION:

Annual Brief of Canadian Congress of Labour to the Federal Cabinet:

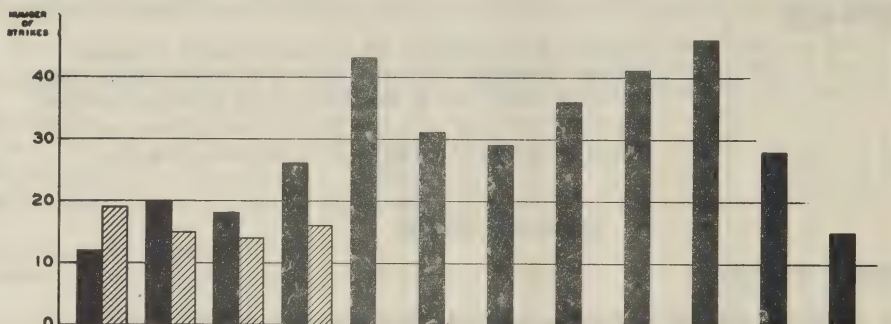
"This Congress is still prepared to accept a similar measure to Bill 338, providing it retains the same basic principles and no changes are made which will be detrimental to the Congress."

BUSINESS OPINION:

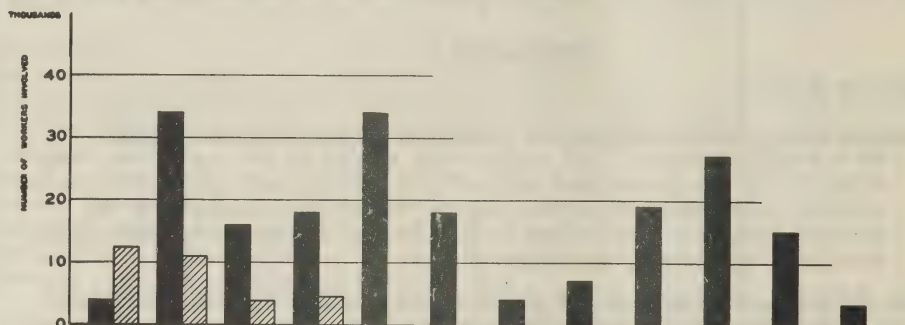
Brief presented by the Canadian Chamber of Commerce to the Commons Committee on Industrial Relations: "The right of workmen to refuse to join a trade union and the right of employers to stay out of trade associations should be recognized in the new Labour Code."

STRIKES AND LOCKOUTS

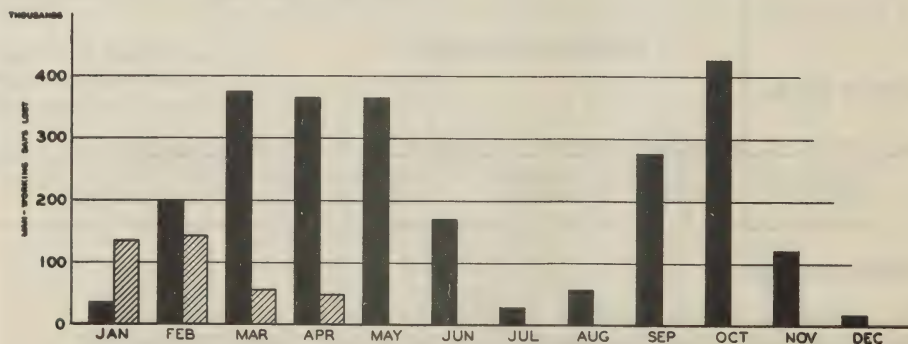
ALTHOUGH IN THE FIRST 4 MONTHS OF 1948 THERE WERE ONLY ABOUT 17 % FEWER STRIKES THAN IN THE SAME PERIOD OF 1947.....



THERE HAVE BEEN ABOUT 52 % FEWER WORKERS INVOLVED.....



AND ABOUT 61 % FEWER MAN-DAYS LOST.....



FORECAST OF LABOUR RELATIONS IN CANADA FROM MAY 1 TO JUNE 30, 1948

During the two-month period under review, there will be demands for substantial wage increases by organized workers in many industries, probably accompanied by work stoppages in some cases. It is expected that critical situations will arise in particular in the British Columbia logging, Pacific coastal fishing, British Columbia and northern Ontario metal mining and smelting, Ontario rubber manufacturing, construction, rail transportation and inland shipping companies.

The successful completion of negotiations between employers and organized labour without work stoppages, has become increasingly evident during 1948. In the first four months of 1948, only 382,928 man-working days, compared to 1,576,283 in the same period last year, were lost through strikes or lockouts. In the two-month period from May 1 to June 30 which is being forecast in this article, it seems likely that, in many cases, compromises between managements and unions will bring about satisfactory settlements without recourse to strikes. The forecast for each major industry follows:

Agriculture

The employees in this industry are largely unorganized and no labour-management difficulties will arise. Little first-hand information is available as to the possibility of non-delivery strikes by producers.

Logging

Loggers are highly organized in two regions, British Columbia and northwestern Ontario. In British Columbia, where the employees are represented by the International Woodworkers of America (CIO-CCI), collective agreements will expire late in the forecast period. Negotiations of new agreements will commence in the near future, and it is understood the union will seek substantial wage increases and other concessions. There is a strong possibility of a work stoppage if the negotiations do not result in proposals from the employers that are acceptable to the union. No trouble is expected in northwestern Ontario in the immediate future, since the collective agreements do not expire until the autumn of 1948.

Fishing

There is a possibility of trouble in this industry, especially on the Pacific Coast. Negotiations for the renewal of agreements for the coming season are now getting under way, and in view of the uncertain prospects for the industry, it is expected that there may be serious

difficulty in reaching satisfactory agreements, particularly with respect to salmon fishermen and workers in the fish-processing plants on shore. On the Atlantic coast, the Canadian Fishermen's Union is conducting an extensive organizational campaign and, if the organizing efforts of the union meet with success, difficulties may be anticipated.

Mining and Smelting

(a) Coal - A work stoppage is still in effect at a number of small mines in the Edmonton area, with no immediate possibility of a settlement, although the strike in other Alberta coal mines was settled in mid-February, and the dispute in British Columbia mines was settled in early April. Controversy may develop in the Estevan-Bienfait coal fields of southern Saskatchewan where miners are seeking a similar increase to that granted in Alberta, and British Columbia. No major difficulties are anticipated in the Maritime provinces, where the United Mine Workers of America have recently negotiated a new collective agreement with the Dominion Steel and Coal Corporation. Negotiations with the smaller operators in Nova Scotia and New Brunswick are now in progress.

(b) Metal - Collective agreements covering the employees of the Consolidated Mining and Smelting Company of Canada, Ltd., at Kimberley and Trail, B.C. will expire on June 1 and, although the International Union of Mine, Mill and Smelter Workers (CIO-CCL) is reported to be seeking substantial wage increases, a new agreement may be reached without any interruption of work. Agreements between the union and various B.C. gold mining companies have expired and negotiations of renewals of these agreements have so far been unsuccessful. Although many of the companies have already increased their wage scales, there is a distinct possibility that the union will resort to aggressive action during the forecast period. Difficulties may also arise in the hardrock mining region of northern Ontario where the International Union of Mine, Mill and Smelter Workers is active and where there exists a traditional hostility to organized labour on the part of the majority of the employers. The same union is active in Quebec, but there is less likelihood of serious disturbances in that region.

(c) Other non-Metallic - No major stoppages are anticipated.

Manufacturing

(a) Animal Foods - Since collective agreements between the United Packinghouse Workers of America (CIO-CCL) and the various meat-packing plants throughout the country will remain in effect until August 1, no serious difficulties are expected during the forecast period.

Negotiations for a new agreement between Maritime National Fish Limited, Halifax, N.S., and the Canadian Fish Handlers' Union (TLC) may arouse some controversy. The present agreement expires on May 14th.

(b) Vegetable Foods - The Federation of Fruit and Vegetable Workers (TLC) are now negotiating for a master collective agreement in the Okanagan Valley of British Columbia and it is expected a settlement will be reached without a stoppage of work.

No serious difficulties are foreseen in the baking and canning industry.

(c) Metal Products - New collective agreements providing for substantial wage increases have been negotiated by the United Steelworkers of America (CIO-CCL) with the three largest steel manufacturing firms; Stelco, Algoma and Dosco. The same union will probably endeavour to obtain a similar wage increase from smaller firms as contracts come up for renewal.

Conciliation proceedings involving the International Union of Mine, Mill and Smelter Workers (CIO-CCL) and two large brass manufacturers, Anaconda American Brass Ltd., New Toronto, and the Canadian Ohio Brass Co., Niagara Falls, are now in progress, and agreements are expected to be signed without strike action.

The United Automobile Workers of America (CIO-CCL) will soon be presenting its 1948 wage demands to Ford, General Motors, Chrysler and their feeder plants; undoubtedly substantial wage increases will be sought, but both sides are expected to be able to effect a reasonable settlement.

Since labour relations are good in the farm implement manufacturing industry, it is unlikely that any major work stoppages will occur.

Labour relations in the field of radio and electrical goods manufacturing are difficult to forecast, although an agreement may be reached between the United Electrical Radio and Machine Workers of America (CIO-CCL) and Rogers Majestic Limited, Leaside, Ontario, where a strike is now in progress.

There appears to be little prospect of a settlement in the near future of the strikes at John Bertram and Sons Company, Ltd., and Pratt and Whitney of Canada, Ltd., both at Dundas, Ont. Employees of both companies are represented by the International Association of Machinists (TLC).

Disturbed labour relations with a possibility of work stoppages during the forecast period, are reported at the following plants; Canadian Raybestos Company Ltd., Peterborough; John T. Hepburn Ltd., Toronto; A.V. Roe Ltd., Malton, Ont.; Singer Manufacturing Co., St. Johns, P.Q.; Iberville Fittings Ltd., Montreal, and Canadian Tube and Steel Products Ltd., Montreal.

(d) Tobacco and Liquor - No major stoppages are anticipated.

(e) Leather Boots and Shoes - A dispute at the Bata Shoe Co. of Canada, Ltd., Batawa, Ont., is now under conciliation and the outcome is uncertain. Elsewhere in Canada, the situation appears to be quiet.

(f) Fur, other Leather, etc. - No major stoppages are anticipated.

(g) Textiles and Clothing - The International Ladies' Garment Workers' Union (AFL-TLC) and the Amalgamated Clothing Workers of America (CIO-CCL) are seeking wage increases in some centres but work stoppages are not likely.

It is possible that some work stoppages will take place during the forecast period in textile manufacturing plants where the employees are represented by the United Textile Workers of America (AFL-TLC) but it is difficult to forecast developments in the textile manufacturing industry.

(h) Pulp and Paper - Apart from the employees of some mills in the Province of Quebec who belong to National Catholic Syndicates, the workers in this industry are almost completely organized by the International Brotherhood of Pulp, Sulphite and Paper Mill Workers (AFL-TLC) and the International Brotherhood of Paper Makers (AFL-TLC). Since new agreements providing for a 10 per cent wage increase were recently signed with 20 Ontario mills, 1 Manitoba and 1 Quebec mill after peaceful negotiations, no labour unrest is foreseen in this industry, where management-labour relations have been traditionally good.

(i) Printing and Publishing - Some difficulties may arise during the forecast period in job printing plants at Regina, Saskatoon and Moose Jaw. No settlement is expected in the lengthy strike of the International Typographical Union (AFL-TLC) against the Southam newspapers in Ottawa, Hamilton, Winnipeg, Edmonton and Vancouver during the forecast period.

(j) Shipbuilding - It is anticipated that new agreements will soon be negotiated in all Ontario shipyards without any stoppage of work. In Quebec, new agreements are either under negotiation or are already concluded and no work stoppages are expected. On the Pacific coast, the present agreements will remain in effect until August 1, but labour relations are somewhat uncertain on the Atlantic Coast. An agreement was recently signed at Halifax Shipyards Ltd., but union agreements with the Saint John Dry Dock and Shipbuilding Co. Ltd., expire on April 30. The company maintains it will be impossible to fulfil union demands for a wage increase of 8 cents per hour similar to that recently granted to workers in the Halifax Shipyards.

(k) Chemicals - No major stoppages are anticipated.

(l) Rubber products - There is a strong possibility that strikes may occur in the near future at a number of the major rubber factories in Ontario where the employees are represented by the United Rubber Workers of America. Negotiations on the union's demand for a general wage increase of 22¢ per hour have been proceedings for some time and the parties are still far apart.

(m) Miscellaneous - Work stoppages may occur during the forecast period at Kraft Paper Products Ltd., St. Johns, P.Q., and at Canadian Veneers Ltd., Saint John, N.B.

Construction

Unions in the construction industry are making demands for substantial wage increases in many sections of the country as spring building activity gets under way. In British Columbia, the key agreements do not expire until July 1. In the larger centres in Alberta, it is expected that settlements will be reached without stoppage of work but in Saskatchewan, employers are resisting the wage demands of the unions and difficulties may be encountered. In Manitoba, agreements covering carpenters and bricklayers will remain in effect, but a dispute may occur with respect to plumbers during the forecast period. Some strikes may occur in Ontario and Quebec; widespread strike action is not anticipated in the Maritime region.

Transportation and Public Utilities

(a) Steam Railways - The Conciliation Board appointed by the Minister of Labour to deal with the dispute between the major Canadian railways and the unions representing the various categories of their employees arising out of a request for a general wage increase of 35 cents per hour, has submitted its recommendations to the Minister. Following this, the railways offered a 7 cent per hour increase to their employees, which the union refused. It now seems likely a strike vote will be called in the near future.

(b) Water - Following settlement of the strike of licensed personnel of Canadian deepsea dry cargo shipping companies on both the Atlantic and Pacific coasts, no serious disturbances are expected in the coastal shipping industry or in the stevedoring industry at any Canadian ports visited by ocean-going vessels.

However, at present, there is considerable strife regarding personnel for inland vessels. Canada Steamship Lines, Ltd., Colonial Steamships Ltd., Sarnia Steamships, Ltd., and several smaller companies are reported to have entered into agreements with the Canadian Lake Seamen's Union, which is alleged by the Canadian Seamen's Union to be under company domination. The situation is being investigated by the Dominion Department of Labour. However, such disturbed relations as may occur will not affect the industry as a whole, since quite a number of other inland shipping companies have negotiated agreements with the Canadian Seamen's Union.

(c) Electric Railway and Bus Lines - Difficulties may be experienced during the forecast period by the Winnipeg Electric Company, the New Brunswick Power Company (Saint John tramways) and Acadian Lines, Ltd., Halifax (bus line). Elsewhere in Canada, the situation appears quiet.

(d) Trucking - Difficulties may be encountered only in the area of Quebec City and the larger centres in Saskatchewan.

(e) Elevators and Storage Plants - A dispute between terminal elevator companies at the head of the lakes and their employers was settled recently. No other labour unrest is expected in this industry.

(f) Air - There is a possibility that a work stoppage may occur at Canadian Air Express Ltd., in Montreal and Ottawa, since the company to date has refused to implement the recommendations of the government Conciliation Board. A Conciliation Board is now dealing with a dispute between Trans-Canada Air Lines and its domestic and trans-oceanic pilots, but the dispute is not likely to result in a strike.

(g) Telegraphs and Telephones - Conciliation Boards have recently submitted their reports on disputes involving the Canadian Marconi Company (marine service) and the Canadian Pacific Railway Company (communications department) and the Commercial Telegraphers' Union (AFL-TLC). The parties are now considering the recommendations of the Boards and it is likely that compromise settlements will be reached.

(h) Electricity and Gas - No major stoppages are anticipated.

Trade

The workers in this industry are relatively unorganized and no major work stoppages are anticipated.

Finance

No information.

Service

(a) Public Administration - No stoppages anticipated.

(b) Business and Personal - There is little organization in this industry. No major work stoppages are anticipated.

EMPLOYMENT SERVICE ACTIVITIES

By the latter part of April, recovery was well under way in all parts of the Dominion and in all main occupational groups. The labour market for unskilled workers, which affected the demand for student labour, was sluggish, but rapid improvement should take place as construction activity increases. The first two inter-provincial movements of agricultural workers are expected to be considerably larger than in 1947, despite the relief currently being received through immigration.

The increased seasonal activity which regularly takes place in the spring, has accounted for the marked drop in unplaced applicants in the past two months. At the end of April, unplaced applicants totalled 165,000. Although this was still above last year's level, the increase was entirely due to the greater number of women entering the labour force.

The registration of new applicants had fallen off appreciably by March—28,000 registered each week as against 38,000 in January. Nevertheless, recovery was spotty until the latter part of April. The skilled and semi-skilled categories indicated the earliest improvement; applicants in this class accounted for 58 per cent of the total decline in the unplaced during March. Recovery in the unskilled classifications was slow but by Mid-April, construction was strengthening demand substantially. The season was well advanced in some areas, especially Ontario, and labour shortages were already apparent. Clearance was being used to recruit additional help but, as formerly, housing shortages retarded the number of transfers actually effected.

There is, of course, considerable activity taking place in the labour market which is not being channelled through the Employment Service. This situation is particularly true at this time of year when seasonal industries are drawing in their regular work force. Loggers are returning to their farms, seamen are being re-hired on their ships, and construction gangs are again assembling, usually under agreements previously arranged between employer and employee. Also, with the more plentiful supply of labour, more workers are tending to be hired "at the gate" than in 1947. It was therefore probable that seasonal unemployment, which at its peak was only 3.2 per cent of the labour force, may have been dissolving at a considerably more rapid rate than was indicated in the Employment Service statistics.

A minor improvement in placement activity was evident during March. Gains in the summer-active mining, construction and agricultural industries offset the continued downtrend in logging placements. Industrial placements declined slightly. Increased hiring, being largely in the seasonal industries, was confined to male workers. Placements among women continued at the February level. Marked improvement in the placement rate was expected in April, since 10 per cent more jobs were reported during March, and a fair number of these openings were deferred until April.

By the end of April university students seeking summer jobs were beginning to enter the labour market. The outlook for technical students, especially engineers, was good and the large majority had secured jobs prior to leaving school. In the general courses, the situation was less promising; several university centres, notably Vancouver, Winnipeg, Montreal, and Halifax, had a fair number of unplaced students on file at the end of the month. Unskilled vacancies, which the majority would have to accept because of lack of specific training, were in shorter supply than in 1947, especially in mining, transportation, and trade. These industries had previously provided a considerable number of jobs for student workers. Labour uncertainty and inclement weather has deterred the immediate absorption of students into construction jobs but when this temporary situation is settled, the majority of students now unplaced should be able to secure jobs in some type of building or related work.

The program for transfer of workers to meet the seasonal needs of agriculture was again taking shape. The first movement consisting of a three-month trek of combines and workers from Saskatchewan to the Southern United States, will begin around the end of May. The movement will be smaller than last year because of the late harvest and the larger supply of combines in the United States. The second project, the movement of girls from the Prairies to British Columbia for fruit picking, begins around the middle of June. Requirements for this year have been placed at 1,000 workers; in 1947 approximately 850 girls were transferred for this work. The third movement, the transfer of Western help for haying operations in Ontario, also occurs in June. Estimates of needs are placed well above last year's level. In 1947, slightly under 1,000 were transferred; this season, it is expected that 2,500 men will be required.

Fewer persons were claiming unemployment insurance at the end of March than one month before. Live claims at the end of March stood at 136,356 as against 146,074 a month earlier. However, the number of persons collecting benefits during March was substantially higher than in February. The time lag which occurs between the filing of claims and actual receipt of benefits accounts for the apparently contra-seasonal movement.

Table 1--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 7550B; Form UIC 745)

Series	Average Weekly		
	March 1948	February 1948	March 1947
Applications for work.....	28,000	32,000	31,000
Vacancies notified.....	18,000	16,000	31,000
Placements.....	10,100	9,700	14,000
Women.....	3,500	3,500	4,200
Veterans.....	2,400	2,200	3,600
Handicapped.....	220	220	280
Executive and professional.....	45	50	55

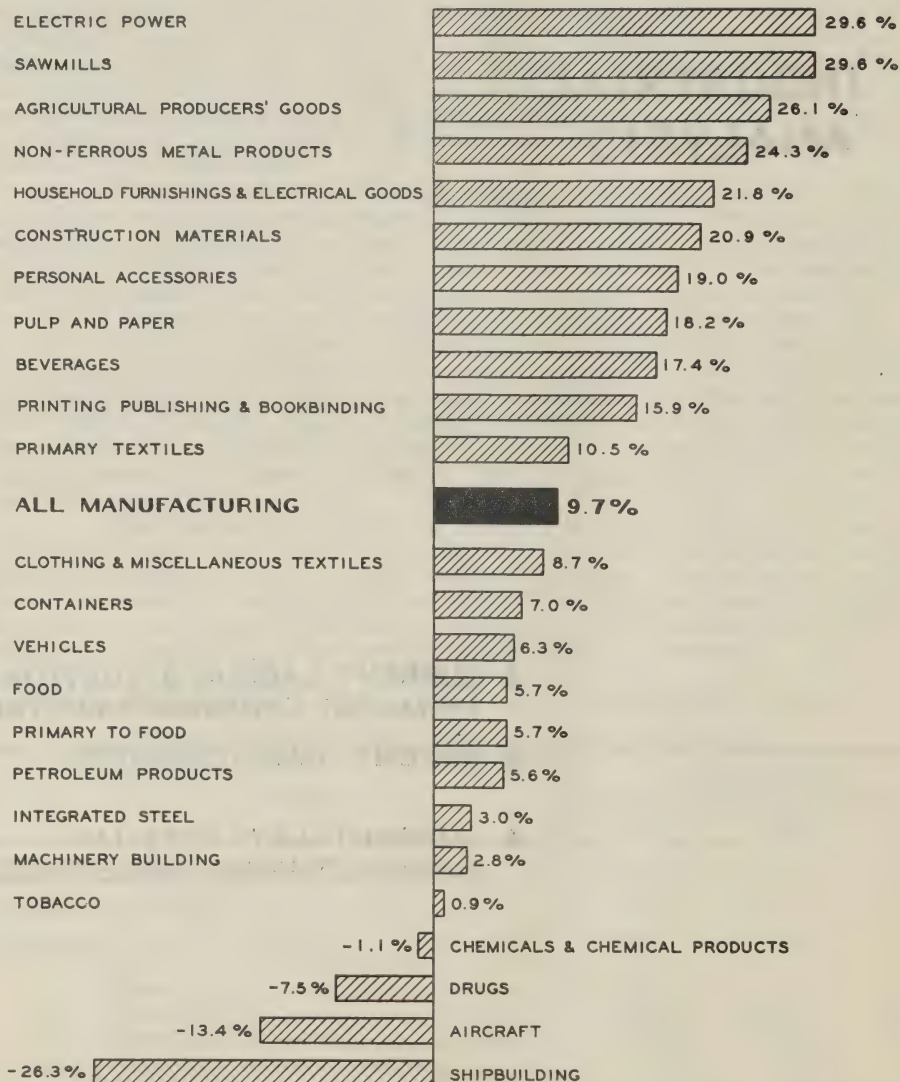
INDUSTRIAL ANALYSIS

- ▲ **CURRENT LABOUR SITUATION
IN MAJOR CANADIAN INDUSTRIES**
- ▲ **RECENT WAGE CHANGES**
- ▲ **CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES**

MANUFACTURING INDUSTRIES

PERCENTAGE CHANGES IN EMPLOYMENT

FEBRUARY 1, 1946 TO FEBRUARY 1, 1948



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

Under the influence of a highly active economy, the spring seasonal upswing continued to gain momentum during the month of April. Both agriculture and construction became quite active in most areas and, at the month-end, some labour shortages were reported. Employment was at a slightly higher level than in March, and about 4 per cent above April, 1947.

MANUFACTURING.....

Estimated employment (May 1).....1,255,000

Seasonal and cyclical factors combined to bring about a moderate growth in manufacturing employment during the month. The estimate of 1,255,000 indicates that some ten thousand workers were absorbed into one or another of the manufacturing industries during the month. The current level of employment is calculated to be 3.5 per cent above the May 1, 1947, figure.

In the secondary textile industry, some firms found it necessary to lay off workers due to material shortages. This shortage resulted from restrictions on the import of American-made textiles coupled with the failure of British goods to appear in the domestic market in any substantial quantity. On the other hand, the primary cotton textile manufacturers, faced with the problem of supplying a much greater percentage of Canadian demand, were making every effort to increase staff as a means of attaining higher levels of production. This industry is displaying great strength at the present time and further increases in employment can be looked for during the next few months.

Shipbuilding employment declined somewhat, partially due to lack of contracts and also because a shortage of certain types of steel hampered work on those contracts already in process. This shortage was aggravated considerably by the soft coal strike in the United States. Aircraft employment continued to contract as a result of a declining volume of business. Some weakness has developed in the rubber tire manufacturing industry as supply now exceeds demand and employment is dropping slightly. Employment is still expanding in the Agricultural Producers' Goods and Non-Ferrous Metal Products industries. All other manufacturing groups are either stable or showing slight tendencies to expand.

The demand for labour in manufacturing industries is not nearly as great as at this time last year. This does not mean that any weakness in the general situation exists, but rather, that the labour force is becoming more stable and labour turnover is considerably lower. Skilled workers are still in short supply. Labour relations were fairly stable during the month with only a few minor strikes in evidence.

AGRICULTURE.....

Estimated employment (May 1).....1,025,000

Concurrently with the arrival of warm weather in various parts of Canada, farmers began making preparations for spring seeding during the month of April. In most districts in Ontario, operations had commenced by the middle of the month; however, spring weather was somewhat delayed in both the Maritime and Prairie regions and little activity occurred until the beginning of May. Farm operations in certain localized areas in the Prairie region were further hampered by the worst floods experienced in several years.

The demand for farm help strengthened towards the month-end, particularly in southern Ontario, where work is more advanced and a shortage of suitable workers has already been reported. A fairly serious labour shortage is likely to develop in this industry during the course of the summer and, once again, plans are being made to alleviate this situation. Requests for Dutch immigrants have been quite numerous and many have already arrived in Canada to work on farms. Reports received to date indicate they are proving highly satisfactory. The exchange of harvesting units between the Prairie Provinces and the mid-western grain growing States will take place again this year, although on a somewhat lesser scale than last year. The Canadian units will leave for the south sometime in May and arrive back for the harvesting of their own crops late in the summer. The Dominion-Provincial Farm Labour program will be continued to facilitate the movement of workers between provinces.

The high level of farm income which has prevailed over the past few years has enabled farmers to proceed with their plans for the purchase of modern machinery. The long-run trend towards mechanization of farm operations has thus received considerable impetus, and machinery manufacturers are producing at capacity in an endeavour to fill the current demand. This phenomenon has been particularly noticeable in the western provinces where the type of farming lends itself best to mechanization.

CONSTRUCTION.....

Estimated employment (May 1).....245,000

Outdoor construction began to get under way during April and employment is currently running 10 to 15 per cent ahead of last year. This increase has resulted primarily from the urgency of demand for building which maintained a high level of employment throughout the normally quiescent winter months. The latest Labour Force Survey shows that 219,000 workers were engaged on construction at the end of February; compared with the February 1947 figures of 187,000, this represents an increase of 17.1 per cent.

A skilled labour shortage is already in evidence and undoubtedly will grow more serious as the summer progresses. Previously scarce building supplies are available in more abundant quantities this year and work stoppages due to material shortages should be of lesser intensity as a result.

While the current high level of employment is being sustained by the heavy back-log of all types of building carried over from last year, this year one or two danger signals have recently appeared. First, the dollar value of contracts awarded during the first four months of 1948 is only 10.5 per cent above the figure for last year while during the period the rise in costs exceeds 20 per cent. This indicates that physical volume is down slightly this year. The greatest decrease this year has been in industrial and engineering contracts which are down in dollar value by 26.4 and 41.9 per cent, respectively. Rising interest rates have combined with rising costs to create financing difficulties which have necessitated the temporary postponement of previously planned projects.

Table I--Construction Contracts Awarded
(millions of dollars)

(Source: D.B.S. Canadian Statistical Review)

Category	January 1 - April 30		Per cent Change 1947-1948
	1947	1948	
Residential.....	34.68	83.74	+141.5
Business.....	74.37	74.00	- 0.5
Industrial.....	31.10	22.89	- 26.4
Engineering.....	49.30	28.67	- 41.9
Total.....	189.45	209.30	+ 10.5

A further disturbing factor is that labour relations are currently unstable. Some strikes occurred during the month and workers are seeking substantial wage increases. If these increases are granted, and there are indications they will be, the already dangerously high building costs will rise even further.

Despite these disturbing factors, the need for new buildings, particularly residential, is still urgent and the prevailing high national income will actively support a relatively high level of construction throughout the remainder of this year.

LOGGING.....

Estimated employment (May 1).....90,000

Pulpwood logging employment in eastern Canada fell off seasonally during March and April and reached the lowest point recorded over the past few years. With a more adequate supply of labour available and pulpwood inventories once again restored to satisfactory levels, a return to the pre-war seasonal employment pattern is indicated. This will mean little or no cutting during the spring and summer months and a heavy concentration of work in the fourth quarter of the year, with the first quarter of the following year reserved primarily for hauling the cut preparatory to the spring drive. The drive for this year is now in progress and several thousand men will be kept busy until the bulk of the logs are moved.

Meanwhile, logging on the west Coast is very active and employment is moving towards its mid-summer peak, and moderate expansion now is taking place. Collective agreements in this industry expire in the near future and it is reported that the workers will seek fairly substantial wage increases.

TRANSPORTATION AND COMMUNICATIONS.....

Estimated employment (May 1).....390,000

Employment in these two industries expanded during the month. Lake shipping was in full swing by the end of the month with several thousand men engaged in the various phases of work. Railways were adding section hands to maintenance crews all across the country in preparation for the heavy program of track and right-of-way improvement and repair work planned for this year.

The labour relations picture for both railroads and lake shipping is somewhat clouded at the moment. The Canadian Seamen's Union and the Canadian Lake Seamen's Union are involved in a dispute which, while not halting lake shipping operations, is none the less causing employers a considerable amount of trouble. The long standing railway employees' dispute has recently flared up with renewed intensity. The conciliation board recommendation for a 7-cent-an-hour increase is apparently not acceptable to the workers and the union representatives have announced that a strike may be called in the next couple of weeks.

In the communications group, some seasonal expansion is currently taking place. Extra workers for outside construction and maintenance crews are being hired and these will be busy during the summer in connection with the extension of communication services in many rural areas.

SERVICES.....

Estimated employment (May 1).....845,000

Summer hotels, tourist camps, roadside restaurants and other sections of the services industry are anticipating a record flow of American tourists to Canada this summer. Estimates of the Ontario Travel and Publicity Department indicate that approximately 20 million American visitors are expected to cross the border into Ontario during the holiday season, and will spend in the neighborhood of 250 millions of dollars. Although trade will benefit from the inflow of U.S. money, the services industry will derive the greatest share. Already, employers have reported a shortage of suitable workers and this situation is expected to persist throughout the busy season.

RECENT WAGE CHANGES

The wage announcements which appear in the following pages were made during the latter part of March and the month of April. (1) The gains published for this period covered 23,500 persons and ranged from 5 to 24 cents for hourly rated workers. The number reported who have received increases of 10 cents or more per hour has risen from 45 per cent in March to 73 per cent in April. This is attributed to the gains in the primary iron and steel, coal mining, transportation and construction industries.

The month of April marked the end of two prolonged strikes: that of three officer groups on east and west coast deepsea dry cargo vessels and the coal miners strike on Vancouver Island. The satisfactory settlement of the latter leaves only some 400 workers in the Edmonton district still out on strike.

Following the lead taken by the Steel Company of Canada, Hamilton, last month, new agreements were signed at the primary iron and steel plants in Sydney, N.S., and in Sault Ste. Marie, Ont. The terms reached in the three major firms in the industry will set the pattern for pending wage talks in smaller plants.

Heightened construction activity is reflected in the increased number of new wage settlements listed in the accompanying table. There is still considerable unrest among construction workers in many localities where contractors contend they cannot afford to meet demands for higher wages.

The 1,500 members of the Montreal Automotive Transportation Association have signed new collective agreements and now have appealed to the Provincial Government, under the Collective Agreement Act to have their new minimum wage cover the 5,000 drivers on Montreal Island.

Wage talks between the Canadian railway workers and the companies have broken down; the bargaining parties are still far apart. A similar situation is arising in both rubber and electrical plants. Wage talks continued in British Columbia lumbering and Ontario gold mining industries. At the close of the month the workers at General Motors of Can. Ltd., served notice on the company and asked that negotiations start well in advance of the expiration date of the present agreement.

(1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices and Employment Forecast Surveys. The average hourly earnings quoted in the following table are as at February 1, 1948, as published by the Dominion Bureau of Statistics.

Wage Increase Announcements, April, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hrly.earnings 104.5¢)			
<u>Coal Mining:</u> (Av.hrly.earnings 109.9¢)			
Canadian Collieries(Dunsmuir) Ltd., Vancouver Island, B.C.	\$1.70 per day	Apr. 1/48	1,300
Intercolonial Coal Co. Ltd., Westville,N.S.	40¢ per day	Feb. 1/48	400
<u>Metallic Ores:</u> (Av.hrly.earnings 105.9¢)			
Giant Yellowknife Gold Mines Ltd., Yellowknife, N.W.T.	5¢ per hr.	Apr. 1/48	200
<u>Non-metallic Minerals</u> (except coal) (Av.hrly.earnings 92.8¢)			
Bell Asbestos Mines Ltd., Thetford Mines,P.Q.	16¢ per hr. 10¢ " "	Oct. 1/47 Jan. 2/48	300
<u>MANUFACTURING</u> (Av.hrly.earnings 86.5¢)			
<u>Dairy Products:</u> (Av.hrly.earnings 72.4¢)			
Mount Royal Dairy, Montreal, P.Q.	\$5 per wk.	Apr. 6/48	150
<u>Flour & Other Milled Products:</u> (Av.hrly.earnings 84.1¢)			
Ogilvie Flour Mills Co. Ltd., Medicine Hat,Alta.	15¢ per hr.	Feb. 1/48	130
<u>Printing & Publishing:</u> (Av.hrly.earnings 97.3¢)			
L'Imprimerie Acadienne Ltee., Moncton, N.B.	10-25%	Mar. 30/48	30
<u>Rubber Products:</u> (Av.hrly earnings 95.2¢)			
Panther Rubber Co. Ltd., Sherbrooke, P.Q.	10¢ per hr.	Feb. 3/48	250
Goodyear Tire & Rubber Co. of Can.Ltd., Bowmanville, Ont.	9½¢ per hr.	Apr. 12/48	650
<u>Cotton Yarn & Cloth:</u> (Av.hrly.earnings 70.5¢)			
Cornwall & York Cotton Mills, Saint John, N.B.	5¢ per hr. 3¢ " "	Mar. 1/48 Sept. 1/48	160
Bell Thread Co. Ltd., Hamilton, Ont.	Av.10¢per hr.	Apr. 13/48	95
<u>Hosiery & Knit Goods:</u> (Av.hrly.earnings 63.1¢)			
Nova Scotia Textiles Ltd., Windsor, N.S.	7½¢ per hr.	Apr. 1/48	200
Rice Knitting Co. Ltd., Winnipeg, Man.	8%	Apr. 8/48	100
National Hosiery Mills Ltd., Hamilton, Ont.	8¢ per hr.	Apr. 12/48	225

Wage Increase Announcements(cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
MANUFACTURING (cont'd)			
<u>Garments & Personal Furnishings:</u>			
(Av.hrlly.earings 68.9¢)			
Cap Union Workers, Winnipeg, Man.	\$2 per wk.	Mar. 18/48	
Buffalo Cap & Neckwear Ltd. Winnipeg, Man.	"	"	80
Manitoba Cap Mfg. Co. Ltd. " "	"	"	30
D.M.C. Cap Mfg. Co. Ltd. " "	"	"	40
Brill Hat & Co. Ltd. " "	"	"	50
Furriers Guild, Winnipeg, Man.	10%	June 1/48	400
Manhattan Children's Wear Co.Ltd.,Montreal,P.Q.	10-16%	Apr. 22/48	65
<u>Chemicals & Allied Products:(Av.hrlly.earnings 87.8¢)</u>			
Brunner Mond Co. of Can.Ltd.,Amherstburg,Ont.	8¢ per hr.	Mar. 24/48	450
Frederick Stearns Co. Ltd., Windsor, Ont.	8¢ per hr.	Apr. 1/48	80
<u>Clay, Glass & Stone Products:</u>			
(Av.hrlly.earnings 85.1¢)			
L.E. Shaw Ltd., Lantz Siding, N.S.	6 $\frac{1}{2}$ -7 $\frac{1}{2}$ ¢ per hr.	Mar. 24/48	110
<u>Primary Iron & Steel:(Av.hrlly.earnings 102.2¢)</u>			
Dominion Steel & Coal Corp., Sydney, N.S.	11 $\frac{1}{2}$ ¢ per hr.	Apr. 14/48	4,000
Algoma Steel Corp.Ltd., Sault Ste. Marie,Ont.	10 $\frac{1}{2}$ ¢ per hr.	Apr. 30/48	5,000
<u>Hardware,Tools & Cutlery:</u>			
(Av.hrlly.earnings 87.4¢)			
United-Carr Fastener Co. of Can. Ltd., Hamilton,Ont.	10¢ per hr.	Apr. 2/48	280
<u>Foundry & Machine Shop Products:</u>			
(Av.hrlly.earnings 95.5¢)			
Warden King Ltd., Montreal, P.Q.	6¢ per hr.	Apr. 17/48	600
COMMUNICATIONS			
<u>Telephones:</u>			
Saskatchewan Government Telephones	\$10-\$20 per mo.	Mar. 18/48	1,100
TRANSPORTATION			
<u>Local Transportation:(Av.hrlly.earnings 91.1¢)</u>			
Ottawa Electric Railway, Ottawa, Ont.	8¢ per hr. 10¢ per hr.	Jan. 1/48 Apr. 1/48	800
<u>Automotive Transport Ass'n. Montreal, P.Q.</u>			
(22 companies) Chauffeurs & Checkers	15¢ per hr.	Apr. 1/48	1,500
Dockmen	20¢ " "	"	
Semi-trailer drivers	10¢ " "	"	
Toronto Trans.Comm-Civic,Utility Electric Wkrs.	10¢ per hr.	Mar. 28/48	120

Wage Increase Announcements(concl'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>TRANSPORTATION</u> (cont'd)			
<u>Water Transportation:</u>			
Deepsea Dry Cargo Vessels on East & West Coast Engineer Officers	\$20-\$30 per mo.	Oct. 15/47	700
Deck Officers	"	"	450
Radio Officers	"	"	150
Branch Lines Ltd., Sorel, P.Q.	\$20-\$35 per mo.	Apr. 16/48	20
Clarke Steamship Co., Montreal, P.Q. certificated personnel.	\$13-\$25 per mo.	Apr. 22/48	345
Canadian Steamship Lines, Freight Handlers at Fort William, Port Arthur, Quebec, Montreal, Toronto, Hamilton, Sarnia, Point Edward and Windsor, Ont.	6 ¹ / ₂ ¢ per hr. 10¢ per hr.	July 25/47 Apr. 15/48	2,000
<u>CONSTRUCTION</u>			
<u>Building:</u> (Av.hrlly.earnings 98.8¢)			
Vancouver Construction Firms, Painters	13¢ per hr.	Apr. 19/48	500
Moose Jaw Construction Firms, Carpenters	10¢ per hr.	Mar. 23/48	95
Toronto Building Trades Council(8 firms) Plasterers	20¢ per hr.	Apr. 15/48	75
Sydney, Glace Bay, New Waterford & Northside Carpenters & Joiners	24¢ per hr.	Apr. 1/48	60
Edmonton General Contractors Ass'n. Carpenters	15¢ per hr.	Apr. 1/48	645
Edmonton Plumbers & Steamfitters	15¢ per hr.	Apr. 1/48	180
Edmonton Builders' Exchange Bricklayers, Masons & Tile setters	15¢ per hr.	Apr. 1/48	70
Calgary Sheet Metal & Roofers' Ass'n.	20¢ per hr.	Apr. 16/48	50
Windsor Labour Bureau of Plumbing & Heating	15¢ per hr.	Apr. 1/48	135

CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Approximately 7,345 workers were affected by lay-offs during April. These numbered 1,000 less than the previous month, largely because of greater seasonal activity. Material shortages were responsible for 42 per cent of the lay-offs during April. Lack of orders accounted for another 29 per cent. Only a few lay-offs were seasonal or due to weather conditions.

During the past two years, Canadian manufacturing industries have been expanding steadily in an attempt to meet the large demand for all types of manufacturing products which existed both here and in other countries. This backlog of demand for civilian goods which was built up throughout the war years has not been satisfied in any general manner. As a result, manufacturing employment has been steadily increasing until it is now approximately 3 per cent above last year's level and 19 per cent above the average 1946 level.

Supplies of some types of goods, however, are beginning to match existing demand. In some cases, a larger supply of goods has been made available through expanded production facilities; in others, demand has been lessened by higher prices.

In many industries, such an equilibrium between demand and supply has resulted in the lay-off of a number of workers in the industry concerned. For the most part, lay-offs which are currently taking place as a result of a shortage of orders, are of a temporary nature. The workers involved, therefore, can find work in other fields where shortages of labour continue to exist.

Many lay-offs are also due to material shortages. This is particularly true in industries utilizing steel products, although such lay-offs are occurring sporadically in a few other fields. From time to time, the import restrictions on goods from the United States have resulted in lay-offs of a few workers, but, as yet, there have been only isolated instances.

Lay-offs may also take place because of seasonal inactivity or because of other temporary developments such as repairs or stock-taking. For the most part, such work stoppages are only of a temporary nature.

In order to have current information available on the extent and nature of lay-offs in manufacturing industries, the offices of the National Employment Service are reporting any such developments as soon as they occur. These reports will henceforth be tabulated and presented in the following table in this section of the Canadian Labour Market. It should be clearly understood that such reports do not provide a complete listing of all lay-offs that occur in the country, but they certainly include data on all major lay-offs.

Lay-offs Reported by National Employment Service Offices in
Manufacturing Industries during April, 1948

Industry - Locality	Number Affected	Reason for Lay-off
<u>Food and Beverages -</u>	426	
Montreal, P.Q.	35	Seasonal
London, Ont.	40	Shortage of orders (buyers resistance)
Toronto, Ont.	20	Shortage of materials
Windsor, Ont.	25	Shortage of orders
Brandon, Man.	25	Weather conditions (floods)
Winnipeg, Man.	93	Weather conditions (floods)
Swift Current, Sask.	140	Shortage of orders
Weyburn, Sask.	8	Export restrictions
Calgary, Alta.	40	Weather conditions (floods)
<u>Tobacco Products -</u>	275	
Montreal, P.Q.	275	Shortage of orders
<u>Rubber Products -</u>	199	
Granby, P.Q.	40	Shortage of orders
Montreal, P.Q.	60	Shortage of orders
New Toronto, Ont.	50	Shortage of orders
Oakville, Ont.	42	Shortage of orders
Welland, Ont.	7	Lack of work in finishing dept.
<u>Leather Products -</u>	388	
Fredericton, N.B.	100	Stock taking
Brampton, Ont.	10	Seasonal
London, Ont.	230	Seasonal, also cancellation of orders due to buyers resistance
London, Ont.	23	Shortage of orders
Perth, Ont.	25	Stock taking
<u>Textile Products -</u>	491	
Drummondville, P.Q.	5	Shortage of orders
Riviere-du-Loup, P.Q.	15	Repairs to machinery
Shawinigan Falls, P.Q.	125	Machinery repairs
Warwick, P.Q.	175	Shortage of orders
Welland, Ont.	50	Shortage of orders
Windsor, Ont.	100	Shortage of orders
Winnipeg, Man.	21	Shortage of orders

Lay-offs in Manufacturing Industries (Cont'd)

Industry - Locality	Number Affected	Reason for Lay-off
<u>Clothing -</u>	597	
Beebe, P.Q.	75	Shortage of materials
Granby, P.Q.	90	Shortage of materials
Riviere-du-Loup, P.Q.	30	Shortage of materials
Stratford, Ont.	61	Shortage of materials
Winnipeg, Man.	341	Seasonal
<u>Wood Products -</u>	313	
Farnham, P.Q.	7	Shortage of materials
Riviere-du-Loup, P.Q.	24	Shortage of material (dry wood)
Trois Pistoles, P.Q.	28	Repairs to machinery
Victoriaville, P.Q.	55	Shortage of orders
Fort William, Ont.	115	Shortage of materials (repairs)
London, Ont.	15	Shortage of orders
Owen Sound, Ont.	40	Shortage of orders
Strathroy, Ont.	8	Shortage of orders due to price levels (also union activity)
Victoria, B.C.	21	Shortage of orders
<u>Paper Products -</u>	35	
Three Rivers, P.Q.	35	Shortage of orders
<u>Iron and Steel -</u>	1,497	
Montreal, P.Q.	300	Shortage of materials
Guelph, Ont.	9	Shortage of orders
Oshawa, Ont.	90	Shortage of orders
Peterborough, Ont.	55	Cancellation of orders (increased cost)
Sarnia, Ont.	620	Test run of motor blocks
Toronto, Ont.	28	Shortage of material
Toronto, Ont.	370	Shortage of coke
Woodstock, Ont.	25	Financial difficulties
<u>Transportation Equipment -</u>	2,597	
Lauzon, P.Q.	876	Shortage of materials
Montreal, P.Q.	300	Shortage of orders
Oshawa, Ont.	250	Shortage of materials
Windsor, Ont.	1,130	Shortage of materials
Windsor, Ont.	21	Repairs to machinery
Windsor, Ont.	20	Reduction in schedule

Lay-offs in Manufacturing Industries (Concluded)

Industry - Locality	Number Affected	Reason for Lay-off
<u>Non-Ferrous Metals</u> -	50	
Levis, P.Q.	35	Shortage of materials and orders
Toronto, Ont.	15	Shortage of orders
<u>Electrical Apparatus</u> -	267	
Barrie, Ont.	50	Shortage of materials
Kitchener, Ont.	23	Shortage of orders
Toronto, Ont.	194	Shortage of orders
<u>Non-Metallic Mineral Products</u> -	18	
London, Ont.	12	Shortage of materials, also lack of work (high prices)
Strathroy, Ont.	6	Shortage of work (high prices)
<u>Chemical Products</u> -	67	
Lachute, P.Q.	7	Shortage of materials
Three Rivers, P.Q.	60	Shortage of orders
<u>Miscellaneous</u> -	125	
Riviere-du-Loup, P.Q.	10	Shortage of materials
St. Catharines, Ont.	115	Shortage of orders
<u>Grand Total</u>	7,345	

REGIONAL ANALYSIS

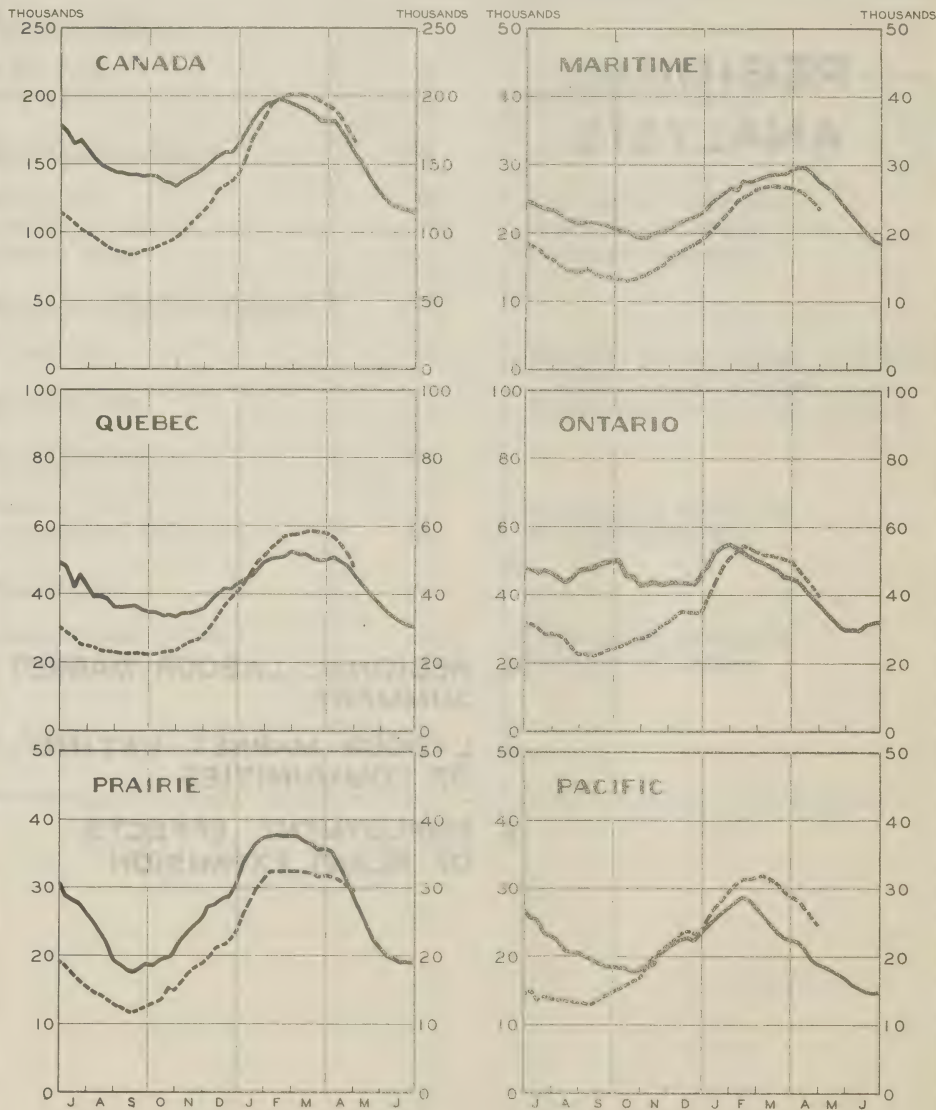
- ▲ REGIONAL LABOUR MARKET
SUMMARY
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS
OF PLANT EXPANSION

REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

[JULY 1946 - JULY 1947] [JULY 1947 TO DATE]



REGIONAL LABOUR MARKET SUMMARY

This section presents a survey of the manpower situation in the five Canadian regional economies during the month of April. As seasonal employment increased in all five regions during the month of April, there was a consequent decrease in the number of unplaced applicants. Both the agricultural and construction industries were absorbing large numbers of skilled and unskilled workers, although the construction industry was slow in starting in the Prairie, Pacific and Quebec regions.

The Maritimes

The seasonal increase in labour market activity speeded up during April and unplaced applicants showed a steady decline in number. At April 1, 1948, there were 26,450 unplaced applicants compared to 23,600 at the end of the month. At the beginning of April this year, there were 2,900 fewer applicants than at the same date in 1947, and by the end of the month this difference had increased to about 4,000. Thus the unemployment problem in 1948 shows continued improvement compared to 1947 up to the end of April.

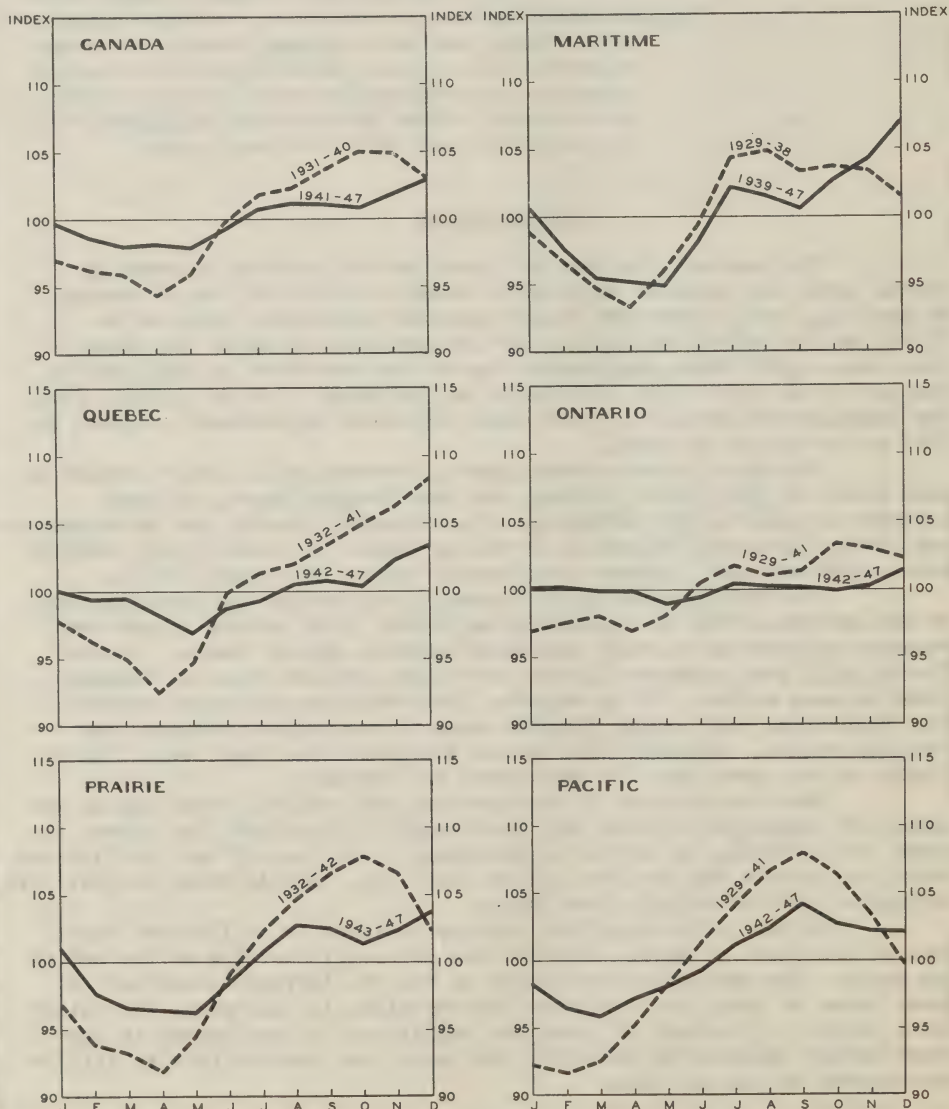
Pockets of severe unemployment, however, will likely persist in such areas as Cape Breton, Sydney, and New Glasgow, where, although industry is active, job seekers greatly outnumber present job opportunities and little industrial expansion is taking place. In other areas, employment conditions will improve considerably during the summer months.

The fishing industry is becoming more active and soon hundreds of men and women will be seasonally employed. Fish packing plants are resuming production and will hire many workers, mostly female. Lobster fishing will soon commence in most districts, and the deep sea fishing fleet is more active. It is reported that Maritime and Quebec salted fish industries will export 190,000 cases of herring and mackerel for European relief. Although fish prices are lower than last year, 1948 is likely to be a good year for employment and income.

Construction work is accelerating and a marked reduction in the number of unemployed skilled men, particularly carpenters, has taken place during April. As activity increases, a shortage of both skilled and unskilled workers may develop in some districts. Public works projects are extensive, particularly in Nova Scotia.

Of the 3,000 waterfront workers employed in Halifax and Saint John at the first of April, only 550 men were still working at the end of the month. The opening of navigation on the St. Lawrence river and the Great Lakes is largely responsible for the slump in employment for waterfront workers. Hundreds of these men registered for employment in the construction industry in the Saint John area, and some difficulty will be encountered in placing them.

SEASONAL PATTERNS OF EMPLOYMENT BY REGION EIGHT LEADING INDUSTRIES



Manufacturing industry as a whole is still working at capacity and few job opportunities are arising. The Halifax Shipyards Company has started work on their new contract and now require additional help. Ship repair work has slackened, but many of these men will secure work on new construction.

A good source of permanent work for upwards of 4,000 workers will be provided by the Maritime Pulp and Paper Mills Corporation. This company will establish a 65 million dollar plant and town site at Lepreau, N.B. It is expected that the plant will be finished by the end of 1949.

Quebec

The month of April saw a seasonal upswing in labour market operations in the Quebec region. The increase in activity this year was a few weeks later than in 1947 since construction work was slow in starting and the logging drive was held up until May. The large pulp and paper industry is showing signs of seasonal activity, but other manufacturing industries are relatively stable.

The number of unplaced applicants in the Quebec region declined from 58,000 at the first of April to 47,900 at April 29. At the latter date in 1947, there were 45,600 applicants registered at Quebec Employment Offices. Most of the hiring during the month concerned male labour.

The employment picture at this time is considerably confused by the early finish of logging operations which thrust thousands of men into the labour market. Most of these will remain idle until they are absorbed into construction and other seasonal industries.

It will be well into May before the ultimate effect of construction work on labour market operations can be ascertained. The value of contracts awarded in Quebec in the first three months of 1948 indicate that 1948 will be a very active construction year, and this is of particular importance as many areas are depending on the construction industry to absorb the bulk of their applicants this year.

In manufacturing, the large pulp and paper industry is hiring many men for woodyard and other seasonal work. Most of these men are in the unskilled classification. Major manufacturing plants in the iron and steel and non-ferrous metal classifications are very active and in some cases production and employment increases are taking place. Secondary textiles manufacturing has been affected by a shortage of materials to some extent, but the ultimate effect has been a reduction in demand for labour which could not be obtained in any case. The primary textile industry on the whole is making up for any reduced employment demand in secondary textiles. The shipbuilding industry is affected more by the shortage of steel than other manufacturing industry at the moment. Recent lay-offs have occurred at Lauzon and Montreal due to material shortages. The Canadair plant has reached the end of the present contract and lay-offs are numerous.

There is a slackening off in employment and production in some industries. The leather industry is encountering a marked drop in demand for shoes and many plants are reducing production. The furniture industry reports dwindling consumer demand. Some tobacco firms are overstocked - one Montreal firm released over 200 workers in the first lay-off in six years. The market is glutted with small radios, and the rubber industry shows signs of reduced markets, particularly export.

Employment conditions are expected to improve considerably in May when agricultural and construction work gains momentum. Most areas expect full employment for skilled construction workers but the supply of unskilled labour may not be entirely absorbed.

Ontario

The acceleration of construction work, the commencement of navigation on the Great Lakes, the annual river drive about to commence in the logging industry, and a mild seasonal increase in manufacturing, are the highlights of Ontario employment operations in April.

The bulk of the unemployed, consisting mostly of semi-skilled and unskilled labour, is rapidly being reduced. A shortage of heavy unskilled labour is expected to develop soon in many areas. Already, skilled construction workers are at a premium in many localities. A marked shortage of agricultural workers is increasing rapidly.

The number of unplaced applicants registered with local employment offices in the Ontario region declined by 1,700 in March; a further drop of 8,800 occurred during April. There were 39,700 unplaced applicants in Ontario at April 29 compared to 39,300 at the same time in 1947. Thus the degree of unemployment is relatively the same this year as last.

The shortage of farm help is accentuated by the fact that many suitable farm workers are either already employed or are seeking employment outside agriculture. As a result, many farmers are interested in securing Dutch immigrants and Displaced Persons to assist in their operations.

New construction work was slow to start in 1948 because of weather conditions, but by the end of April, there was a considerable demand for all types of construction labour. In several areas, there was labour unrest among construction workers who were seeking wage increases. Strikes called in Toronto and Windsor were of short duration, but settlement of the Cornwall strike had not been effected by the end of the month.

Total reported employment in all industry in Ontario shows an increase of 9.6 per cent, or 78,900 workers, from the first of December 1946 to the same date in 1947. There has been a marked stabilization of labour in manufacturing industry during the past year. Many areas report a mild seasonal increase in demand for labour in manufacturing but most orders at present are for general labour. Most plants are fully staffed and a decrease in labour turnover is evident.

There are a few instances of lay-offs because of lack of orders, shortage of materials, import restrictions, etc., but, on the whole, the labour market is very strong. The radio and rubber industries report glutted markets in some cases, the Ontario wine industry will cut production this year because of high inventories. Thus, while some expansion in manufacturing will take place in 1948, forecasts indicate that it is unlikely that the employment gain will be as great as in 1947.

The Prairies

Unseasonable weather during March culminated in flood conditions by the latter part of April and thus the normal seasonal upswing in industry is being curtailed. Thousands of acres of arable land in the Prairie region were inundated and agricultural and construction work will not get underway until early in May. This is an abnormal and purely temporary set-back and will not effect the ultimate level of industrial activity in 1948.

Because of extremely wet conditions, the marked decrease in unemployment since the seasonal peak in 1948 compared to 1947 is not as notable at the end of April as a few weeks ago. There were 29,650 unemployed applicants in the Prairie Region at April 29, 1948, about the same as at this time last year. The temporary lapse in employment operations this spring will soon be overcome, and employment conditions in the Prairie Region can be expected to show improvement over 1947.

Agricultural seeding operations are expected to commence during the first two weeks of May, depending on the district and soil conditions. Demand for farm labour is lighter than at the same time a year ago, but many farmers are hiring workers so as to have them available when work starts in the next few weeks. On the whole, farm labour is reported to be fairly plentiful for spring operations. Many Prairie workers are returning home from seasonal work in Ontario and B.C. logging camps. Greater farm mechanization is increasing the demand for men capable of operating and repairing farm machinery, and at the same time farms which are highly mechanized do not require as many unskilled workers.

Rural roads are either impassable or in very poor condition. As a result, employment in packing plants, seasonally quiet at this time of year, is further depressed by the inability of farmers to deliver livestock. However, an improved material supply situation permits other manufacturing industry to work at capacity and maintain stable employment. Impassable roads have also caused a slump in retail sales, which is reflected in wholesale trade.

British Columbia

The seasonal increase in labour market activities in the Pacific region is slowly gaining momentum. Construction work is late getting underway, and logging operations have not yet reached their peak. The shipping strike has been settled and many seamen are back at their jobs.

More logging camps are opening up as logging conditions in coastal regions improve. Upper levels and the interior are still largely snow-bound. The opening of logging operations will undoubtedly provide jobs for a very large number of men both skilled and unskilled, many of whom have been unemployed in the off season. A shortage of key men is already reported. The International Woodworkers of America union is in the process of negotiating a new wage contract. So far, no trouble has been experienced.

The seasonal demand for sawmill and shingle mill staffs has been accentuated by the return of many Prairie workers to their homes. Nevertheless, labour should be plentiful.

Very little of the 10,000 increase in overall reported employment since 1947, can be accredited to the manufacturing industry. Thus primary industry, particularly the logging and lumber industry, is extremely vital to continued prosperity. Vancouver shipyards are busy at present on a rush of repair work which was held up during the shipping strike; major yards report enough work on hand to maintain the present work force at least until July. However, in Victoria, fairly heavy lay-offs have occurred. The Victoria Machinery Depot and Yarrows Limited have had a temporary lapse in activity as present contracts are now finished and many men will be idle until new work commences. The furniture industry is very slack and some lay-offs have occurred due to a slackening of consumer demand.

Fish canneries are overhauling machinery in preparation for a busy season, but they will not provide much employment until June. There is no shortage of agricultural labour as yet. Some men will be leaving for work in the east. The berry crop in 1948 is expected to exceed all records. Consequently, cannery workers and berry pickers will be in great demand.

General construction work is proceeding slowly. As a result, skilled tradesmen are still plentiful. Most of the present orders are for jobs in rural areas and these are being filled by local labour in most cases.

There were 24,500 unplaced applicants registered in the Pacific region at April 29, 1948, compared to 19,800 at the same date in the previous year. The influx of workers from the Prairies was much heavier in the past winter than in 1947, and this may in part account for the larger number of unplaced applicants. Activities in primary industry and construction will likely continue at a high level, and there is no reason to doubt that employment conditions in the Pacific region in 1948 will not be maintained at as high a level as in 1947.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unemployed applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at April 1, 1948, at March 1, 1948 and at April 1, 1947.

This classification is based on a ratio of unemployed applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I — Areas in which there are more than 300 unemployed applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II — Areas in which there are between 150 and 300 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III — Areas in which there are from 50 to 150 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate, in the sense that it corresponds to that which existed in 1941.

Group IV — Areas in which there are under 50 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying labour market conditions as they are pictured by the local National Employment Service office. The ratings for March and April of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	April 1, 1948	March 1, 1948	April 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	II
Windsor.....	III	III	III
Vancouver.....	III	III	III
Winnipeg.....	III	III	III
Ottawa.....	III	III	III
Montreal.....	IV	IV	IV
Hamilton.....	IV	IV	IV
Toronto.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney.....	II	II	I
Halifax.....	III	III	III
Saint John.....	III	III	III
Calgary.....	III	III	III
Fort William-Port Arthur.....	III	III	III
Regina.....	III	III	III
Edmonton.....	IV	III	III
London.....	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull.....	II	II	II
Three Rivers.....	III	III	III
Oshawa.....	III	III	III
Saskatoon.....	III	III	III
St. Catharines.....	III	III	IV
Victoria.....	IV	IV	IV
Kingston.....	IV	III	IV
Brantford.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Kitchener-Waterloo.....	IV	IV	IV
<u>Population of under 25,000</u>			
Sorel.....	II	I	III
Amherst.....	II	II	II
New Glasgow-Pictou.....	II	II	I
Valleyfield.....	II	III	III
Shawinigan Falls.....	III	III	III
Chicoutimi.....	III	III	III
Welland.....	IV	III	III
Niagara Falls.....	IV	IV	IV
Trail.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

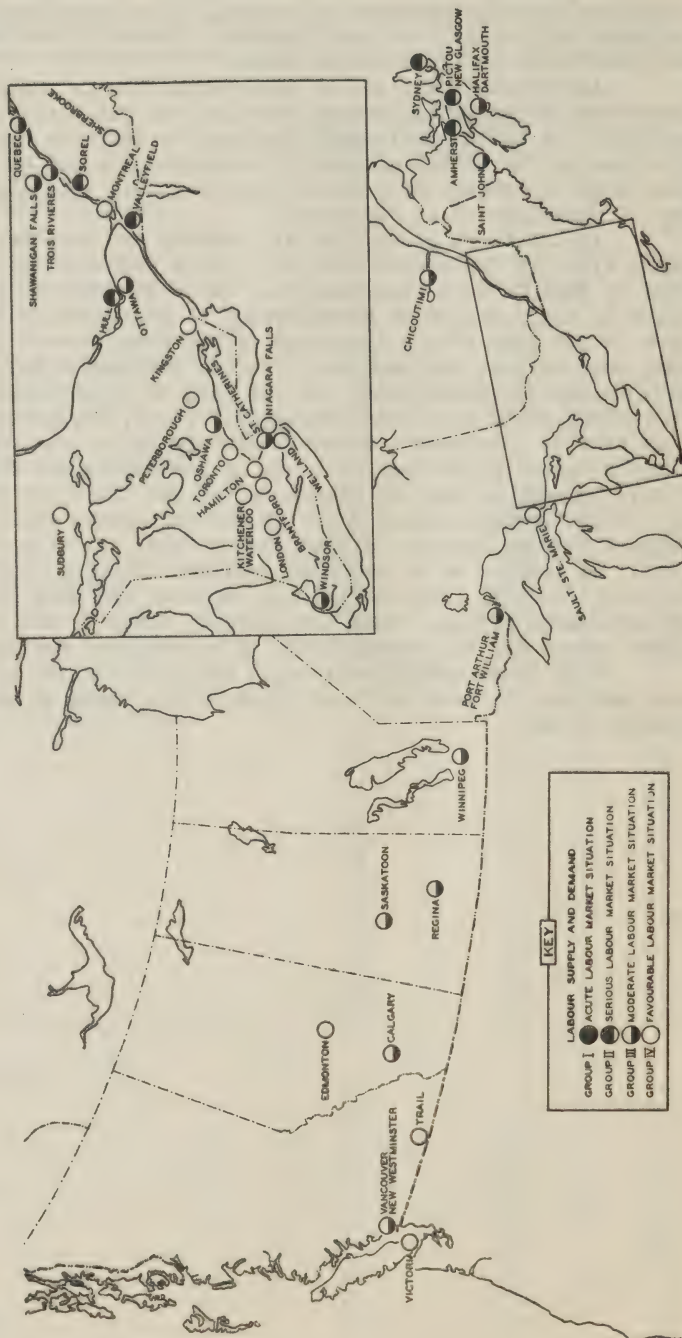
An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits if their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT APRIL 1, 1948



EMPLOYMENT EFFECTS OF PLANT EXPANSION

The following report gives an indication of the industrial expansion planned for 1948 - both new projects and those not completed in 1947. Industrial expansion includes new plants, expansion of present plants and the use of present plant facilities. This information is listed by industry within each area and will be provided in similar table form from month to month in the Canadian Labour Market.

In 1947, a total of \$513 million was invested by manufacturing firms for new plants, machinery and equipment. This was \$213 million more than was invested in 1946 and three times the volume of capital expenditures in 1945. Business men forecast that capital expenditure in 1948 will increase further to \$554 million.

With respect to the labour market, such capital investment represents an important addition to the number of jobs available. Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where the new industries are located. Industrial expansion also has provided a further incentive for the construction of homes in the areas where it has occurred.

For these reasons, therefore, a listing of all such capital expansion, whether it be a new plant, present plant expansion, or the occupation of empty plant facilities, will be provided in this section of the Canadian Labour Market from month to month.

This information will be listed by industry within each area, and estimates will be given as to the probable date when the new plant, present plant expansion, or present plant facility will come into operation. The type of expansion taking place will be denoted as follows: new plant - N.P., present plant expansion - P.E., and occupation of present plant facilities - P.F.

A few of the many sources for this information are industrial publications, press clippings, narrative reports from National Employment Service offices, and reports from the field interviewers of the Employment Forecast Survey.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

From time to time, the information listed will be summarized and an attempt will be made to analyze the extent of industrial expansion and its effect on local labour markets, keeping in mind other factors such as local housing conditions and local supplies of labour.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable date of completion
Halifax, N. S.	Non-alcoholic Beverages Canada Dry Ginger Ale Ltd.	N. P.	100	4th Qtr/48
Grand'Mère, P. Q.	Textiles Grand'Mère Knitting Co. Ltd.	P. E.	50	2nd Qtr/48
Jonquiere, P. Q.	Non-ferrous Metals Aluminum Co. of Canada Ltd.	P. E.	70	3rd Qtr/48
La Malbaie, P. Q.	Lumber & Wood Products Baie St. Paul Plywood & Box Co. Ltd.	N. P.	40	3rd Qtr/48
Quebec, P. Q.	Secondary Iron and Steel Crane Ltd.	P. F.	500	1st Qtr/48
" "	Textiles Wolsey of Canada Ltd.	P. F.	350	2nd Qtr/48
St. Hyacinthe, P. Q.	Textiles Super Knitting Mills Co. Ltd.	P. F.	75	1st Qtr/48
Hamilton, Ont.	Vehicles The Studebaker Corp. of Canada Ltd.	N. P.	1,200	3rd Qtr/48
Niagara Falls, Ont.	Hospital Utensils Vendall Ltd.	N. P.	50	2nd Qtr/48
Ottawa, Ont.	Alcoholic Beverages Brading's Capital Brewery Ltd.	P. F.	60	2nd Qtr/48
Toronto, Ont.	Food Processing Gerber Products (Canada) Ltd.	P. F.	120	2nd Qtr/48
	Secondary Iron and Steel Hastings, Ltd.	N. P.	50	3rd Qtr/48
Smiths Falls, Ont.	Textiles Holland (Canada) Ltd.	N. P.	100	4th Qtr/48
Calgary, Alta.	Textiles Woods Manufacturing Co. Ltd.	N. P.	30	4th Qtr/48
Vancouver, B. C.	Pulp and Paper Westminster Paper Co. Ltd.	P. E.	30	1st Qtr/48

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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May

1948

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The Employment

Outlook

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Number 5

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CANADIAN LABOUR MARKET

Published by the authority of

Hon. Humphrey Mitchell
Minister of Labour

Arthur MacNamara, C.M.G., LL.D.
Deputy Minister of Labour

This is a monthly publication prepared by the Research and Statistics Branch of the Dominion Department of Labour.

The purpose of the report is to provide information on conditions in the labour market on an occupational, industrial, and geographical basis.

The material in this report is organized under three major headings: national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation.

Accordingly, the contents of the report should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

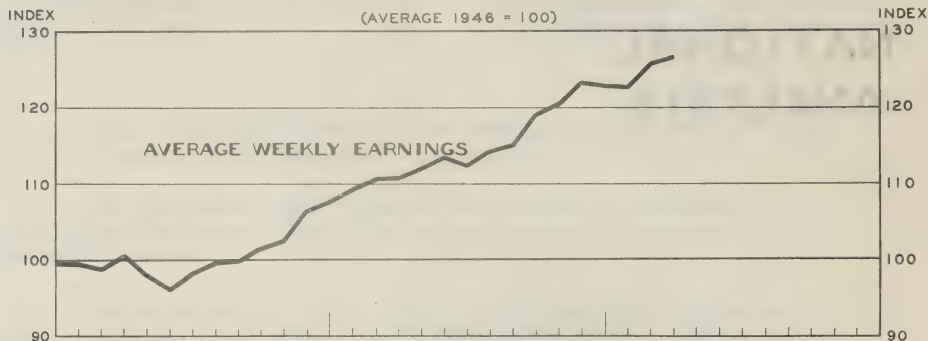
For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

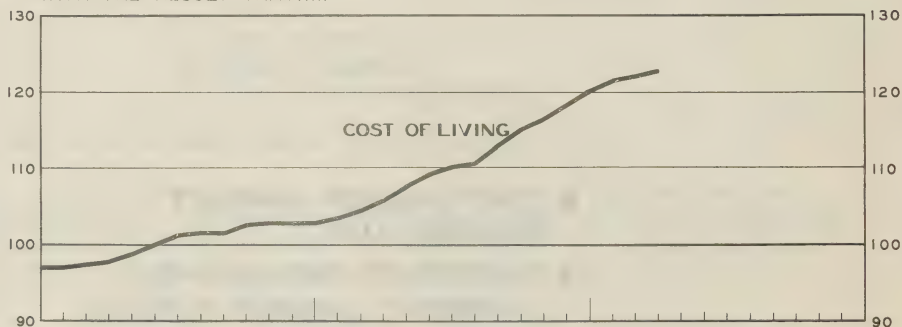
- ▲ THE LABOUR MARKET
DURING MAY
- ▲ DIGEST OF OPINION ON
CURRENT LABOUR TOPICS
- ▲ THE EMPLOYMENT OUTLOOK
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

REAL WEEKLY EARNINGS.....

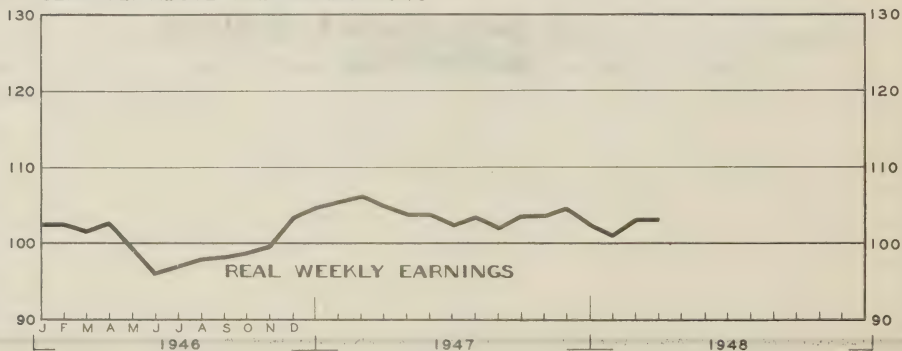
ALTHOUGH AVERAGE WEEKLY EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES ARE RUNNING ABOUT 24 PER CENT ABOVE THE AVERAGE 1946 LEVEL.....



THE COST OF LIVING HAS RISEN ALMOST AS SHARPLY, WITH THE RESULT THAT.....



REAL WEEKLY EARNINGS ARE ONLY SLIGHTLY ABOVE THE AVERAGE 1946 LEVEL.....



THE LABOUR MARKET DURING MAY

The upsurge of seasonal employment activity in the Canadian labour market continued during May. All the evidence on hand pointed to a marked decline in unemployment during the month. With respect to the Employment Service, unplaced job seekers declined by 40,000 during the period. On June 3, unplaced applicants numbered 125,000, about the same as one year ago. Seasonal labour shortages now exist in many districts, particularly in Ontario and Quebec.

A further considerable improvement in labour market conditions occurred during the month of May, again mainly due to increased activity in the seasonal industries. By the beginning of June, a scarcity of labour was becoming prevalent in many sections of the country, although labour surpluses persisted in many of the Maritime districts. In British Columbia, the severe flood conditions of the last few weeks have almost completely disrupted industrial activity in many towns.

At National Employment Service offices, the job situation showed the effects of this greater seasonal activity. Applicants registered for work declined by 40,000 during the month of May, while the number of jobs on file rose by 15,000. As a result, the ratio of applicants to jobs decreased again from 1 to 3 at the beginning of May to 1 to 2 at the first of June. At the height of seasonal unemployment early in the year, there had been six workers registered at Employment Service offices for every one job on file.

The number of workers seeking jobs through Employment Service offices now is only very slightly above that of one year ago. At the beginning of June, unplaced applicants totalled 125,000 as compared with 122,000 at the same date in 1947. At the middle of last March, there were 13,000 more applicants than at the same time last year.

The money income of Canadian workers continues its steady climb. Total labour income during the first quarter of 1948 amounted to \$1,607 millions, 14 per cent above that of the same period in 1947. This gain, of course, has been due to higher employment as well as to greater earnings on the part of many individual workers.

In non-agricultural industries, average weekly earnings of wage and salary workers have risen about 9 per cent during the past twelve months. The increase has been greatest in the mining, logging, manufacturing, and construction industries, while it has been under 9 per cent for the communications, transportation, service, and finance industries. In trading establishments, average weekly earnings rose exactly 9 per cent during the last year.

With respect to the individual manufacturing industries, the extent of the increase in average weekly earnings in the recent year has varied considerably. The average increase for all manufacturing firms

was 10 per cent, but this was exceeded in the following industries: animal products, plant products, pulp and paper, tobacco, beverages, chemicals, electrical apparatus, non-ferrous metals, non-metallic minerals, and clay, glass and stone. Industries producing leather, rubber, lumber, textiles, and iron and steel were below average insofar as increased earnings were concerned, although in every case some gain took place during the past year.

Farm wages, too, have risen considerably since the spring of 1947. At May 15, 1948, average monthly wages without board for hired help were \$113.07, 9 per cent above those at the same date last year.

At present, therefore, almost all Canadian workers are enjoying higher cash earnings than one year ago. Offsetting this, however, has been the substantial rise in the prices of most consumer goods and services during the past twelve months. According to the Dominion Bureau of Statistics, the cost of living in Canada has increased by 15 per cent in the twelve months ending May 1, 1948. This rise has been more than the increase in the earnings of wage earners in manufacturing industries in the same period (see chart opposite preceding page), as well as greater than the average earnings of both wage and salary workers in almost every industry over the same period. The decline in the purchasing power of the earnings of Canadian workers has been especially marked in the non-agricultural industries indicated above, wherein earnings have increased less than the average total increase of 9 per cent.

The number of immigrants during the first four months of 1948 has been more than three times the volume of immigration during the comparative period of 1947. At May 31, immigration in 1948 totalled almost 33,000. If this rate is maintained during the rest of the year, about 100,000 persons will enter Canada during 1948.

From January to the end of April of this year, almost 8,000 Displaced Persons have been brought to Canada. This meant that about 24 per cent of all immigrants during the first four months were D.P.'s. During May, the number of Displaced Persons arriving in Canada amounted to 2,100, the second highest monthly figure on record; 2,400 D.P.'s arrived in Canada during April, 1948.

CALENDAR OF LABOUR MARKET EVENTS

May, 1948.

- May 2 Three hundred and fifty Displaced Persons arrived in Canada.
- May 3 Carpenters in Windsor, Ont., returned to work after a 9-day strike.
- May 4 Eighteen international railway unions rejected the 7-cent per hour wage increase offered by the government conciliation board and authorized a strike vote.
- May 5 A general increase of 10 per cent was accepted on behalf of 14,000 pulp and paper workers in Ontario, Quebec and Manitoba.
- May 6 The Canadian Brotherhood of Railway Employees and other Transport Workers (CCL) joined the international brotherhoods in taking a strike vote.
- May 6 Six hundred Displaced Persons arrived in Canada.
- May 11 The Builders' Exchange and the Montreal Building Trades Council, representing 25 firms and 25,000 employees in the Montreal district, completed a two-year wage agreement.
- May 14 Five thousand employees of the International Paper Co. in Montreal and its affiliated companies have been granted wage increases.
- May 16 The carpenters' strike in Sault Ste. Marie, Ont., ended on its 9th day.
- May 17 Port of Montreal longshoremen (4000 employed by 50 shipping companies) were granted wage increases.
- May 17 Six hundred Dutch immigrants arrived in Canada.
- May 18 Settlement was reached in the Cornwall, Ont. carpenters' strike.
- May 19 Five hundred Displaced Persons arrived in Canada; 130 of these were Maltese.
- May 23 Wage increases were granted to workers in the Imperial Tobacco Co., General Cigar Co., and Macdonald Tobacco Co., Montreal.
- May 24 Six hundred Displaced Persons arrived in Canada.
- May 28 A national wage-and-policy conference of the United Packinghouse Workers of America (CIO-CCL) began a three-day session in Calgary, Alta.
- May 29 Thirty-eight Displaced Persons arrived in Canada by air.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:--All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lock-outs, and production which are taken during the month. Latest figures are subject to revision.

	May 1948	Apr. 1948	Mar. 1948	Feb. 1948	Apr. 1946	Apr. 1945	Apr. 1943	Apr. 1939
Population:-								
Births (a).....000's	-	14.5	14.5	12.9	13.3	11.8	11.4	7.4
Deaths (a).....000's	-	5.5	5.7	5.5	5.1	4.8	5.0	4.4
Immigration.....000's	-	9.4	10.6	5.2	6.3	3.4	1.4	2.1
Civilian Labour Force:-								
Number.....000's	-	-	4,825	-	-	-	-	-
Employment:-								
Number.....000's	-	-	4,669	-	-	-	-	-
Index (b).....Av. 1926=100	-	185.2	187.6	187.8	167.7	174.5	177.8	104.9
Female(b).....%	-	22.5	22.2	22.3	23.7	26.6	-	-
Unemployment:-								
Number.....000's	-	-	156	-	-	-	-	-
Unplaced applicants (c)....000's	165	194	201	187	266	82	77	-
Live claims.....000's	105	136	146	131	155	27	-	-
Earnings and Hours:-								
Labour income..... \$000.000's	-	-	533	540	404	-	-	-
Per capita wkly.earnings(d)....\$	-	38.23	38.02	37.06	30.37	32.10	-	-
Average hrly.earnings (d).....¢	-	88.9	88.0	86.6	68.4	70.4	-	-
Average real weekly earnings (e) Av. 1946 = 100	-	103.1	103.1	101.0	102.9	110.6	-	-
Average hours per week. (d).....	-	43.0	43.2	42.8	44.4	43.6	-	-
Cost of living:-								
Index..... Av. 1935-39 = 100	153.3	151.6	150.8	150.1	120.8	118.7	117.6	100.6
Strikes and Lockouts:-								
Workers involved.....000's	3	4	4	11	7	5	32	-
Man-working days lost.....000's	40	49	57	141	46	24	104	1
Industrial Production:-								
Index..... Av.1935-39 = 100	-	185.8	182.8	181.6	165.8	190.3	199.3	102.2

- (a) In cities, towns, and villages of 10,000 or more persons.
- (b) Based on firms of 15 or more workers, in the nine leading industries.
- (c) Registered with National Employment Service Offices.
- (d) Wage earners in manufacturing only. April data adjusted for holidays.
- (e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

DIGEST OF OPINION ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by business and labour leaders on policies which are of interest to both management and labour. The opinions set forth are chosen for their representative value, and it should be clearly understood that the listing of any opinion in this section does not mean the Research and Statistics Branch is in agreement with it.

WAGES AND PRICES

BUSINESS OPINION:

A. C. Ross, president of the Canadian Construction Association: "Wage rates in themselves mean very little. What does matter is productivity. Construction costs are at an all-time high now because of material costs, high wages and low productivity. The sanity shown in recent wage discussions by both labour leaders and employers is commendable."

Lt.-Col. I.H. Eakin, retiring president of the Shipping Federation of Canada: "The standard of wages on Canadian deep-sea vessels is far in advance of standards on ships of competing Maritime nations. The disparity of wages favouring Canadian ships is unfortunately not offset by greater efficiency."

R.C. Berkinshaw, president of the Canadian Manufacturers' Association: "The present condition of inflated values calls for very thoughtful consideration. Labour can help in the battle against inflation by avoiding interruptions in production, by reducing absenteeism, and by applying the principle of a fair day's work for a fair day's pay."

LABOUR OPINION:

A.R. Mosher, president of the Canadian Brotherhood of Railway Employees: "We do not consider a railway strike for higher wages as inevitable, but this union still hopes a just and reasonable settlement can be reached by the process of reasoning rather than by force."

FEDERAL BUDGET

BUSINESS OPINION:

W.D. Jones, president of the Canadian Section of the International Chamber of Commerce: "The national budget does less than justice to

the average taxpayer and will be very discouraging to all business engaged in foreign trade."

H.G. Smith, chairman of the executive committee of the Canadian Chamber of Commerce: "Tax reductions would have provided new incentives to both industry and labour to expand production, reduce unit costs and bring supply and demand into better balance."

H.H. Holden, chairman of the Montreal branch of the Canadian Manufacturers' Association: "I can't see any help for business in the budget. After all, we are out to increase production, and I think that tax relief for the labourer would have helped in that direction."

LABOUR OPINION:

P.R. Bengough, president of the Trades and Labour Congress: "I approve of the government's action in eliminating the sales tax. The increased exemption in income tax for persons over 65 is a step in the right direction, but the people in the lower brackets should be given some relief."

A.R. Mosher, president of the Canadian Congress of Labour: "The removal of the sales tax was all to the good, but what I wanted to see was tax relief for those in low-income groups."

FEDERAL LABOUR CODE

LABOUR OPINION:

P.R. Bengough, president of the Trades and Labour Congress: "The Congress has withdrawn its support from the proposed Federal Labour Code because of changes made in it by the Commons Industrial Relations Committee, particularly the definition of 'confidential' employees excluded from the collective bargaining provisions of the code."

IMMIGRATION

LABOUR OPINION:

S. Baron, Canadian director, Textile Workers' Union of America: "The project of the Hamilton Cotton Co., Hamilton, Ont. to bring 70 Displaced Persons to work in their factory is a model in labour relations. The company is acting objectively and the textile rank and file realize they can help these unfortunate persons." (One year ago, Mr. Baron strenuously objected to the importation of Displaced Persons for work in a Quebec textile mill.)

THE EMPLOYMENT OUTLOOK

The present forecast indicates that employment levels at July 1 and October 1 will be approximately 3 per cent above those at the same dates one year ago. Thus the upward cyclical trend is expected to continue, but at a much more reduced rate than during a similar period in 1947. During the forecast period, the economy will pass through its customary stage of seasonal activity and a period of full employment is anticipated.

General Summary

Employment forecasts for July 1 and October 1 indicate that a high level of employment will prevail at least until the end of the third quarter of 1948. While the upward cyclical trend is proceeding at a considerably reduced rate, to date no serious storm clouds have appeared on the horizon. Domestic demand for goods is still strong, although one or two soft spots have developed; new capital investment is expected to reach the record physical volume achieved last year with a shift in emphasis from industrial and commercial building to residential construction; effective foreign demand for our exportable goods will be sustained by the European Recovery Program; and, the uncertain outlook which has been held by certain of the manufacturing industries with regard to adverse effects of the Dollar Saving Program is now almost entirely dissipated. Labour relations generally are being maintained in a state of equilibrium.

All in all, the general outlook for employment conditions appears highly favourable, and it is anticipated that, at the peak of seasonal activity, employment will top 5 million for the second successive year.

The labour force is potentially larger than last year as the result of both immigration and natural increase of the population and consequently, the labour demand-supply situation should be more balanced than last year, when an acute shortage was in evidence. The supply of unskilled and semi-skilled help is expected to be adequate; the current shortages in certain skilled trades, however, show no signs of disappearing and, in fact, will be acute during the next few months. Certain isolated pockets of labour shortage will be in evidence because of housing difficulties while, on the other hand, a few zones of labour surplus will probably persist due either to occupational or geographic immobility.

Steel shortages will hamper employment in the steel-using industries, particularly shipbuilding, and a reduced yardage of primary cottons resulting from import restrictions will hold back certain sections of the clothing industry. Aircraft employment will decline still further as expected British contracts failed to materialize. All other manufacturing industries will attain levels of employment somewhat above those for the comparable dates of 1947.

TABLE I--EMPLOYMENT FORECAST

January 1, 1947 = 100

(Source: Employment Forecast Survey, Second Report, 1948)

Selected Industries	Recorded Employment		Forecast Employment	
	Jan. 1, 1947 (Actual)	Oct. 1, 1947 (Index)	July 1, 1948 (Index)	Oct. 1, 1948 (Index)
MANUFACTURING INDUSTRIES	1,002,340	106.5	108.4	110.1
Food (other than Flour Mills).....	100,312	111.7	105.8	123.5
Clothing (excluding Rubber).....	107,730	103.4	104.9	104.1
Beverages.....	16,980	110.9	111.3	114.3
Flour and Feed Mills.....	6,547	104.5	91.6	93.2
Primary Textiles.....	60,399	102.5	109.8	110.1
Pulp and Paper.....	44,901	115.7	119.1	118.0
Containers.....	28,619	102.5	102.7	100.6
Household Furniture and Electrical Goods.....	80,946	106.5	110.7	112.1
Vehicles (automobiles and parts excluding rubber tires).....	40,189	117.6	113.7	113.7
Rubber.....	23,951	101.7	100.2	99.4
Machinery Building.....	90,550	101.1	104.5	105.6
Integrated Steel.....	55,606	102.5	111.1	110.6
Agricultural Implements.....	18,544	111.8	126.7	124.6
Chemicals.....	18,998	102.3	107.9	106.9
Non-ferrous Metal Products.....	44,707	107.5	112.7	111.8
Construction Materials.....	55,530	107.1	109.1	109.1
Petroleum Products.....	9,103	106.2	107.7	106.6
Sawmills.....	40,026	126.5	127.4	127.9
Aircraft.....	12,631	78.1	64.9	67.3
Shipbuilding.....	22,693	110.2	99.1	93.9
Electric Power.....	23,792	117.0	123.2	126.1
PRIMARY INDUSTRIES				
Logging				
Manitoba and East (Pulpwood).....	52,464	95.9	38.1	93.4
British Columbia.....	11,979	142.4	135.2	151.9
Mining				
Coal - Canada.....	24,554	97.1	101.8	101.0
Nova Scotia.....	12,280	105.0	108.3	109.1
Alberta & British Columbia.....	11,114	89.2	93.6	92.7
Metal.....	35,162	109.1	120.9	119.7
Non-metallic.....	12,712	122.4	129.0	126.7
MISCELLANEOUS INDUSTRIES				
Communications				
Telephones.....	33,557	110.2	118.3	116.5
Retail Trade				
Department Stores (1).....	60,370	91.5	92.0	94.3

(1) Retail Trade figure for January 1 is high because of the Christmas seasonal peak. Thus, indices for succeeding dates are not actually subnormal.

Eastern logging will pass through its period of seasonal inactivity and recover by October 1 to a level comparable to the similar date last year, while West Coast logging, at the same time, will move through its peak activity during the summer months and attain a level of employment about 6 per cent higher than in 1947. All other primary industries are very active and employment will run substantially higher than last year.

On the whole, business executives are optimistic about the immediate future and, while competition has stiffened markedly in many sectors, a large volume of business is anticipated throughout the balance of the year.

Manufacturing Industries

An analysis of the direct forecast of key establishments in manufacturing industries indicates that employment at July 1 and October 1 is expected to attain levels about 3 per cent above the comparable dates for last year. The rate of growth in employment during the first quarter of this year has been markedly less than that which occurred in the first three months of 1947 and indications are that the post-war upward cyclical trend will tend to level off still further during the forecast period.

The following table sets forth the year-to-year comparisons of employment in the main sub-divisions of manufacturing:

Table II--Employment in Manufacturing Industries

Source: Employment Forecast Survey, Second Report, 1948

Industry Group	Actual Employment(1)		Forecast Employment	Percentage Change	
	Oct. 1, 1946	Oct. 1, 1947	Oct. 1, 1948	Oct. 1/46 to Oct. 1/47	Oct. 1/47 to Oct. 1/48
Consumer Non-Durables	326,405	329,877	345,500	+1.1(3)	+4.7(3)
Ancillary to Consumer					
Non-Durables.....	141,114	150,047	154,400	+ 6.3	+2.9
Consumer Durables....	126,860	154,111	157,000	+21.5(4)	+1.9
Producer Goods					
Industries.....	370,885	406,986	417,400	+ 9.7(4)	+2.6
Electric Power.....	24,181	27,832	30,000	+15.1	7.8
Manufacturing(2).....	989,880	1,067,258	1,104,000	+ 7.8(4)	+3.5

(1) D.B.S. employment statistics of establishments employing 15 or more persons.

(2) Manufacturing figures are not the totals of sub-graphs as there are certain minor omissions from sub-groups.

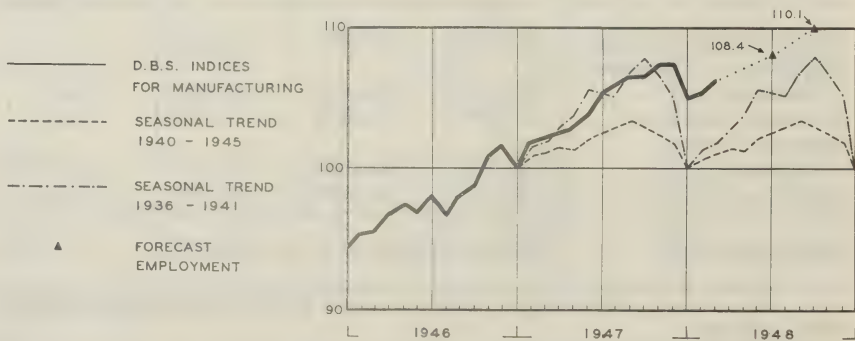
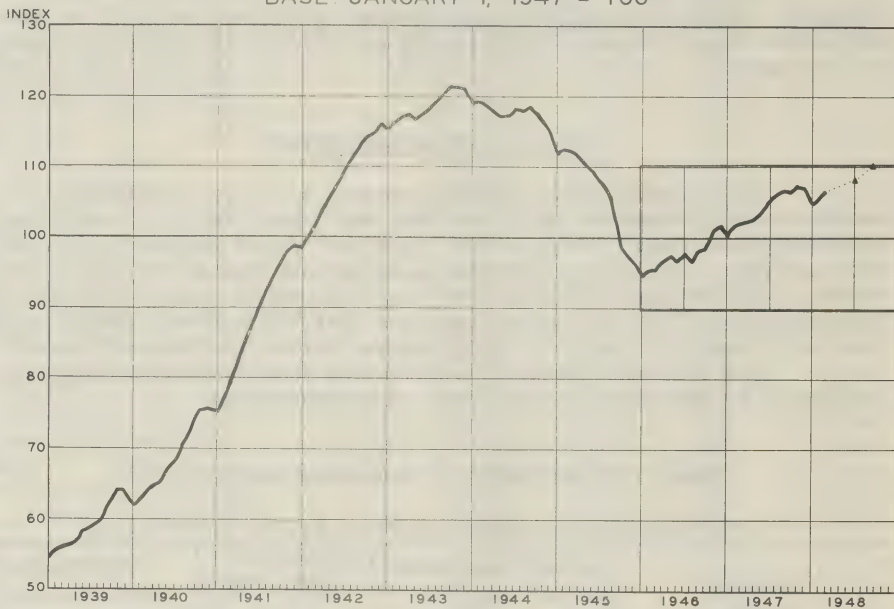
(3) These percentage comparisons are partially invalidated due to strikes in the meat packing industry in 1947.

(4) The percentage change from October, 1946 to October, 1947 appears unduly high due to strikes which were in progress in 1947.

EMPLOYMENT TRENDS OF MANUFACTURING INDUSTRIES 1939 - 1948

ACTUAL AND FORECASTED

BASE: JANUARY 1, 1947 = 100



Consumer Non-Durable Finished Goods Industries

Employment in this group is expected to reach 345,500 by October 1, a gain of 15,600 over the same date last year. The year-to-year percentage comparisons are partially invalidated because of the 1947 strike in the meat packing industry.

Food--This industry is currently in the initial stages of seasonal expansion. Growth will continue throughout the forecast period to a peak at about October 1 when it is expected that 124,000 workers will be employed. Rising prices have apparently had no adverse effect on the volume of demand for food products; unfavourable weather which would result in a low crop yield is the only factor which might reduce the demand for labour. It is expected that a sufficient number of suitable workers will be available during the fall seasonal peak.

Clothing--The year to year comparison indicates employment at October 1 will be up only 0.5 per cent above last year. Operations in this industry are expected to be curtailed slightly during the next few months because of cotton textile shortages which have resulted both from import restrictions on American goods and the failure of British-made products to appear in the Canadian market. In some sections of the woollen goods trade, demand has softened and employment may fall off slightly as a result.

Printing, Publishing and Bookbinding--Employment in this group is expected to rise moderately to 51,000 at July 1 and then remain stable for the balance of the forecast period. The October 1 figure is 6.0 per cent above that for the same date last year.

Beverages--Employment is expected to rise slightly to 18,900 by July 1 and further to 19,400 by October 1. The increase is due chiefly to seasonal activity although both new plant capacity and cyclical growth are creating a moderate demand for more workers. The year to year comparisons indicate a substantial falling off in the rate of cyclical growth with the October 1 figure only 3 per cent above last year, as compared with an 8.2 per cent rise from 1946 to 1947.

Tobacco--Seasonal inactivity will cause employment to fall off slightly to a level of 10,000 by July 1, following which a slight recovery will be in evidence to October 1. The year to year comparison shows no cyclical growth, thus indicating that a state of equilibrium prevails in the tobacco demand-supply situation.

Industries Ancillary to Consumer Non-Durable Finished Goods

Two industries in this group, Primary to Food and Containers, show declines in employment for October 1 as compared with last year. The Primary to Clothing Industry (Textiles) will expand at a rate above that for last year, while employment growth in Primary to Printing (Pulp and Paper) will be less than in 1947.

Primary to Food--This group, which consists of the flour milling industry, will decline slightly until about mid-summer, following which a moderate increase will be in evidence to October 1. For October 1, employment is forecast at 6,100, a 10.8 per cent decrease from the same date last year. A shortage of wheat occasioned by poor crop yields in 1947 is the principal cause for contraction in this industry.

Primary to Clothing--The primary textile industry is expected to expand steadily throughout the forecast period, with the employment figure of 66,500 at October 1 being 7.4 per cent ahead of last year. A strong demand for domestically produced cotton materials combined with a more adequate supply of labour are the factors contributing to this growth. High priced British cottons have, to date, provided very little competition for Canadian goods in the home market.

Primary to Printing--Although the current rate of expansion is markedly less than at this time last year, the pulp and paper group will display a moderate cyclical growth throughout the forecast period. Along with this, a seasonal upswing will be in evidence until August, following which a slight decline will be in progress by October. Both export and domestic markets remain very strong and this industry anticipates a schedule of capacity operations for the balance of this year. Employment in this group has expanded almost to the limit possible with existing plant facilities; however some further long term growth will take place at a later date as new mills, at present under construction, come into operation. The October 1 forecast figure of 53,000 is 2.0 per cent above the comparable date for last year as compared with a 9.9 per cent increase between 1946 and 1947, thus indicating a rapid decline in cyclical growth and an approaching state of labour supply-demand equilibrium.

Containers--Seasonal activity will cause a growth in employment to about mid-summer after which time a seasonal decline is anticipated. Because of a softening in demand, this group has contracted moderately and the forecast of 28,800 employees at October 1 is calculated to be 1.8 per cent lower than one year ago.

Consumer Durable Goods Industries

Percentage changes in employment in this group from October 1, 1947 to October 1, 1948 indicate a levelling-off of the trend which was strongly upward during the preceding year. The rate of increase is expected to be considerably reduced in the Household Furniture and Electrical Goods industries and a slight decrease in employment is anticipated for Vehicles.

Household Furniture and Electrical Goods--The small increase in employment forecast for October 1 of this year over the same date last year indicates that the strong upward trend which was in evidence during all of 1947 is now showing signs of weakening. Expansion will continue over the next few months but with progressively diminishing intensity. The October 1 forecast of 90,300 is 5.3 per cent above last year. The slowing

up of expansion has occurred largely as a result of the exhaustion of backlogs of postwar demand for certain products, such as radios, and some weakening in effective demand due to rising prices.

Vehicles--A slight decrease is anticipated in the vehicles industry, chiefly as a result of the backlog in demand for rubber tires having become completely dissipated. The demand for automobiles has, to date, shown no signs of weakening and will remain in excess of supply, since import restrictions will limit production to approximately the 1947 level. Employment in this segment of the industry will remain stable or show only a slight decrease. The 57,600 figure forecast for October 1 (includes manufacture of rubber tires) is 3.1 per cent less than the year previous date.

Producer Goods Industries

For this group, as a whole, the percentage increase in employment forecast for the year ending October 1, 1948 is somewhat less than for the preceding year. However, when allowances are made for strikes which were in progress in 1946, the lower percentage increase from 1947 to 1948, shown on Table 1, is adjusted upwards to a level where it is almost in keeping with the increase that it is calculated actually occurred in the 1946-47 period.

Due to the present high rate of capital investment, the demand for most of the products of these industries, except Aircraft and Steel Shipbuilding, shows no sign of weakening, and for some items, such as steel, railway rolling stock, agricultural implements, fertilizers, non-ferrous metals, and construction materials, adequate domestic and foreign markets seem assured for at least the next year.

Machinery Building--Allowing for 1946 strikes, the upward trend during the period October 1, 1947 to October 1, 1948 is slightly steeper than during the preceding year. This may be explained by the greater availability of both materials and labour and the continued demand for capital goods. The European Recovery Program adds strength to the previously existing optimistic picture forecast for this industry. Employment is expected to reach 96,000 by October 1 of this year.

Integrated Steel--As with Machinery Building, the upward trend in employment is currently somewhat stronger than during the comparable 1946-47 period. Capacity is being increased moderately by the erection of mills for producing tinplate and cold rolled strips, and by general plant improvement. The present shortage of steel is world wide and excessive demand for Canadian production is likely to continue for some time. The October 1 forecast anticipates employment of 61,500 workers in this industry, an increase of 7.9 per cent over last October.

Agricultural Producers' Goods--Employment expansion in this industry is expected to continue its sharp upward trend at about the same rate as last year. For the year ending October 1, 1948, an increase of 11.5 per cent to 23,100 is forecast. Due to the worldwide food shortage, both domestic and foreign demand for agricultural machinery and fertilizers is expected to continue unabated for some time.

Chemicals and Chemical Products--The demand for Chemicals and chemical products correlates closely with the general level of industrial activity; consequently the current rate of expansion in employment (4.5 per cent increase from October, 1947 to October, 1948) is a continuation of the trend that was in evidence during 1946 and the first half of 1947. In keeping with the need for other producers' goods, requirements for chemicals are expected to remain high during the forecast period.

Non-Ferrous Metal Products--The forecast employment increase of 4.1 per cent to a level of 50,000 represents a considerable levelling off in the upward trend; however, prospects for a continued high level of employment are good, since there is a persistently strong demand for these metals, especially in the United States markets where stock piling for rearmament purposes is in progress.

Construction Materials--The October 1 forecast of 60,600, representing an increase of 1.9 per cent over the same date in 1947, indicates a marked decrease in the rate of employment expansion. Production of nearly all construction material is currently at a substantially higher rate than a year ago and there are signs of an approaching supply-demand equilibrium. As long as capital investment remains in its present active state a strong demand for these goods will persist and a high level of employment will be sustained through the forecast period.

Petroleum--Although expansion in this industry is in progress, the construction of new refinery units and other facilities is not yet far enough advanced to have any marked effect on employment. The increase of 0.3 per cent forecast for October 1, 1948 over the same date last year is very moderate, but substantial changes are anticipated in 1949 when new units come into operation.

Sawmills--Growth in employment in Eastern Canada was arrested, and in fact a moderate decline has taken place, as a result of the loss of certain United Kingdom markets. However, the demand for British Columbia wood and wood products continues strong and the employment expansion has been more than sufficient to offset the decline in the Maritimes. The October 1 forecast of 51,200 is calculated to be 1.1 per cent above the same date for last year. This industry anticipates receiving a fair share of orders placed under the European Recovery program.

Aircraft--This industry, although greatly deflated from its wartime size, seems still to be over-expanded for peacetime needs. It had been hoped that the employment level which prevailed earlier this year might be maintained on the basis of United Kingdom contracts, but these have failed to materialize and, as a result, demand for labour will decline during the next few months. The October 1 forecast of 8,500 represents a decrease of 13.8 per cent from employment one year ago.

Shipbuilding--As with aircraft, this industry is still in the process of post-war contraction. Increasing production in European shipyards is causing competition to stiffen and the Canadian industry is finding it increasingly difficult to secure contracts. A further troublesome factor

is the current acute shortage of certain types of steel which is holding up work now in progress. Employment is expected to decline by 14.8 per cent for the year ending October 1.

Electric Power

An employment increase of 7.8 per cent (27,800 to 30,000) is forecast for the year ending October 1, 1948. Expansion in this industry involves long-range planning, and, in view of the present unsatisfied demand for power, continued growth over a long period may be expected.

Primary Industries

The primary industries have largely recovered from the severe shortage of labour which was a restricting factor during 1946 and 1947. Natural increase in the labour force combined with immigration of displaced persons to bring about this more satisfactory situation. Eastern pulpwood logging will pass through its summer period of inactivity and employment is expected to drop to the lowest levels reached during the past several years with indications that the supply of labour will be adequate for the fall cutting program. Meanwhile, west coast logging is expected to expand seasonally over the next few months. Coal mining employment will remain fairly stable during the forecast period, while metal mining anticipates a sufficient number of workers will be available for a moderate expansion, and the supply of labour for the non-metallic group is adequate for its summer seasonal growth.

Logging

Pulpwood Logging - Manitoba and East--The spring drive in eastern Canada is reported as being ahead of schedule with about the same number of workers employed as last year. With pulpwood inventories now at a satisfactory level and an adequate supply of labour available for next fall, very few companies will be carrying on cutting operations during the summer months as has been the practice over the last three or four years. As a result, the July 1 forecast of 20,000 is some 27 per cent below the year ago date, and employment during the summer will be at the lowest level recorded for this time of year since 1941.

Indications are that pulpwood operations are now returning to their pre-war seasonal pattern which means a heavy concentration of work in the last quarter of the year. The October 1 forecast, therefore, anticipates an employment level of 49,000, only 2 per cent below October, 1947.

B.C. Logging--While B.C. logging is still expanding, the rate of growth has slowed down considerably. By October 1, employment is expected to reach 18,200, some 6.7 per cent above the comparable date for last year. With a heavy demand for lumber still persisting in world markets, this industry can be expected to maintain a high level of employment for some time.

Mining

Metal Mining--The world shortage of non-ferrous metals, and the backlog of development and exploration work accumulated during the war years, have combined to stimulate the upward trend of employment which is continuing at a rate only fractionally below last year. Labour is now in more plentiful supply due to immigration of displaced persons and further expansion of the labour force should be achieved without too much difficulty. Gold mining, of course, remains in a somewhat depressed condition because of rising costs and the fixed selling price, but the restriction on employment in this sector has been more than compensated for by the very active base metal group. The October 1 forecast of 42,100 is 9.7 per cent above the same 1947 date.

Non-Metallic Mining--This industry will be seasonally active through the forecast period until it reaches a peak near the end of the summer. The cyclical increase of 3.5 per cent in employment forecast for October over October, 1947 is based chiefly on the persistent demand for construction materials, such as asbestos, and for petroleum and natural gas. The rate of increase is expected to taper off to some extent towards the end of this year.

Coal Mining--Year to year comparisons for October 1 are partially invalidated by the relatively low level of employment in Maritime mines which was an aftermath of the prolonged strike that took place in 1947. By October 1, Alberta and B.C. employment is expected to be up 3.8 per cent from last year to 10,300.

While employment in the Maritime group shows an increase of 3.9 per cent for the same period, the coal mining industry in this region never regained its 1946 status; with increased productivity and greater mechanization of operations, the long run trend in this sector of the industry is downward. The short run outlook for Canadian coal mining envisages stability with relatively little change in employment during the forecast period.

Communications

Telephones--Expansion in this industry is still in progress although the rate of increase during the period October 1, 1947 to October 1, 1948 is only half that which occurred during the previous year. The October 1 forecast anticipates that 39,100 persons will be employed in this industry.

Retail Trade

Department Stores and Mail Order Houses--Although physical volume of retail trade is lower than at this time last year, dollar value of sales continues to increase with rising prices. Retail trade is expected to continue at a high level and some further growth in employment is anticipated now that the supply of suitable workers is somewhat more adequate. The 3.1 per cent increase forecast for the period October, 1947 to October, 1948 will bring employment to 57,200 on the latter date.

EMPLOYMENT SERVICE ACTIVITIES

The problem before employment offices now is to find sufficient workers for the jobs available. Except in localized distress areas, the seasonally unemployed had been absorbed by early May, although there is still some difficulty in placing older workers. Where demand cannot be met locally, orders are being cleared to other areas, and already a number have been placed in inter-regional circulation.

The month of May has marked the general shift from a surplus to a shortage of workers. Demand has already overtaken supply in several industries, especially agriculture and mining, and construction may be expected to increase labour requirements substantially in the coming months. The seasonally unemployed had been absorbed, for the most part, by the first week in May. Student job-seekers temporarily added approximately 40,000 persons to the labour force, but by the latter part of May only 10,000 of these had not yet found jobs.

Since the beginning of April, unplaced applicants have fallen at an average rate of 8,000 per week while almost 3,000 jobs were added each week to the number of vacancies remaining on file. By May 27, unplaced applicants stood at 131,000 and unfilled vacancies at 60,000.

The volume of placement work has increased sharply and recorded operations were almost 35 per cent higher in April than in March. Hirings increased in all main industry groups except logging. Gains were most pronounced in the seasonal agricultural, construction and mining industries where increases of 90 per cent, 84 per cent and 76 per cent, respectively, were recorded.

Demand for women workers is increasing; the ratio between jobs and workers now is approximately two to three. Among male workers the ratio is still only 2 jobs to 5 workers. However, there are considerably more women in the labour market than one year ago. Unplaced applicants at the end of May were 6,000 higher than those at the comparative period in 1947. Similarly, women claiming unemployment insurance at the end of April, the latest available date, were 5,000 more than in 1948, and only slightly less than in 1946, when reconversion difficulties were still hampering expansion in employment. The easing has been felt in the semi-skilled (and skilled) and unskilled categories where unplaced applicants at the April date were 55 and 58 per cent higher than one year before.

A period of readjustment, which is not of a seasonal nature, appears to be in progress in the female labour market. The severe shortage of women workers has lessened materially, especially in manufacturing and to a lesser extent in the service occupations. The trend in female employment points to a more even balance between jobs and workers and it is probable that the employment situation for women will now correspond more closely to the general state of the labour market.

National Employment Service is renewing its campaign for the placement of older workers. The necessity for the campaign is witnessed by the fact that 50,000 persons over 45 years of age were registered for work at employment offices at the end of April, a number both numerically and proportionately greater than that of April, 1947.

The campaign under way is two-fold-- it is directed at both the older worker himself and the employer. Employment officials are giving special counselling to the older unemployed worker to enable him to "sell himself" to the employer. In Toronto, part of the office staff has been set aside exclusively for this work. In many cases, the workers so counselled have not required the follow-up placement work of the employment offices but have been able to secure employment through their own efforts. At the same time, through the medium of the press, the radio, and employer relations staffs, employers are being shown the value of employing the older worker and, at the same time, the economic danger of a "blanket" discrimination against a group of workers which comprise almost one-third of the total working population.

The tightening in the labour market has been accompanied by an increase in clearance of orders through the network of employment offices. Much of the clearance in 1948 has been in the executive and professional field, and in the skilled and semiskilled occupations where local supplies have already been exhausted. Relatively little "block" clearance of orders is taking place and the majority of orders are for only one or two workers. The seasonal agricultural and mining industries offer the only significant exceptions to this and single orders here ranged as high as 650 for farmer-ettes for the Ontario Farm Service camps and 200 for workers in the Sudbury nickel mines.

The majority of orders now in clearance originate in Ontario where labour shortages developed earlier than in the other regions. At the end of May over 2,000 orders were in clearance in the Ontario region which covered vacancies for approximately 4,500 persons. This was more than double the aggregate number of orders in clearance in all other regions. Over 700 clearance orders from Ontario have entered inter-regional lines. Some of these orders, however, will be duplicates since many are being cleared to more than one region.

Table I--Placement Operations of the National Employment Service

(Source: Form U.I.C. 751; Form U.I.C. 7550B.; Form U.I.C. 745)

Series	Average Weekly		
	April 1948	March 1948	April 1947
Applications for work ^x	30,000	28,000	30,000
Vacancies notified.....	25,000	18,000	33,000
Placements.....	14,200	10,100	15,400
Women.....	4,300	3,500	4,200
Veterans.....	3,000	2,200	3,900
Handicapped.....	250	220	300
Executive and professional....	65	45	60

x Does not include renewals.

INDUSTRIAL ANALYSIS

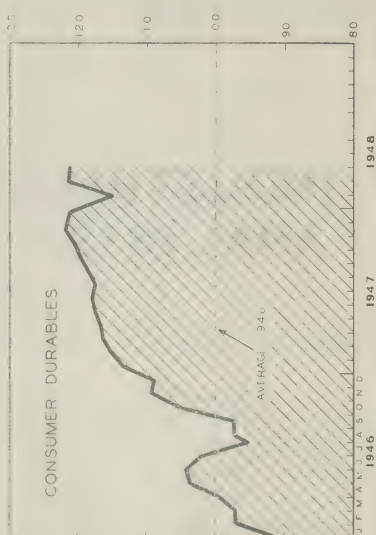
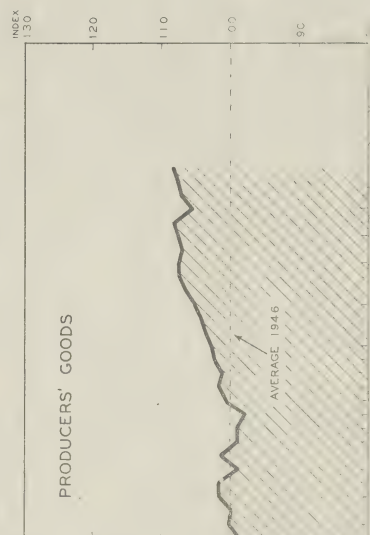
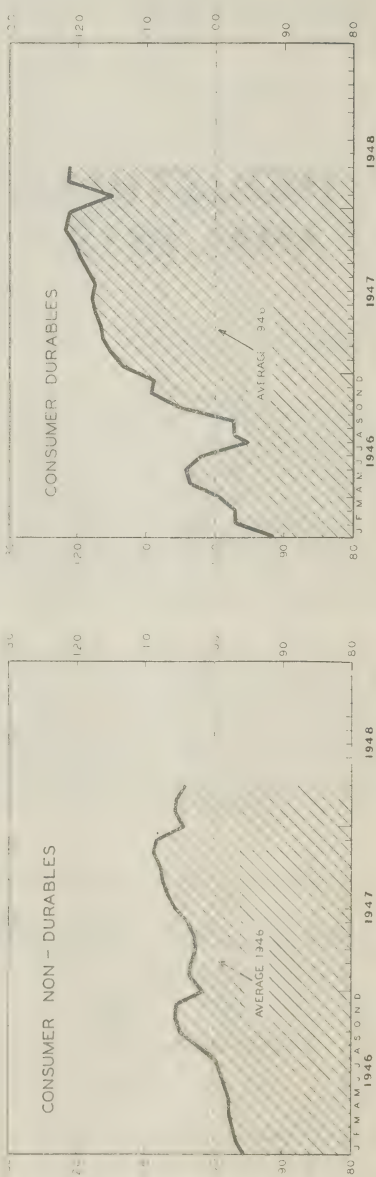
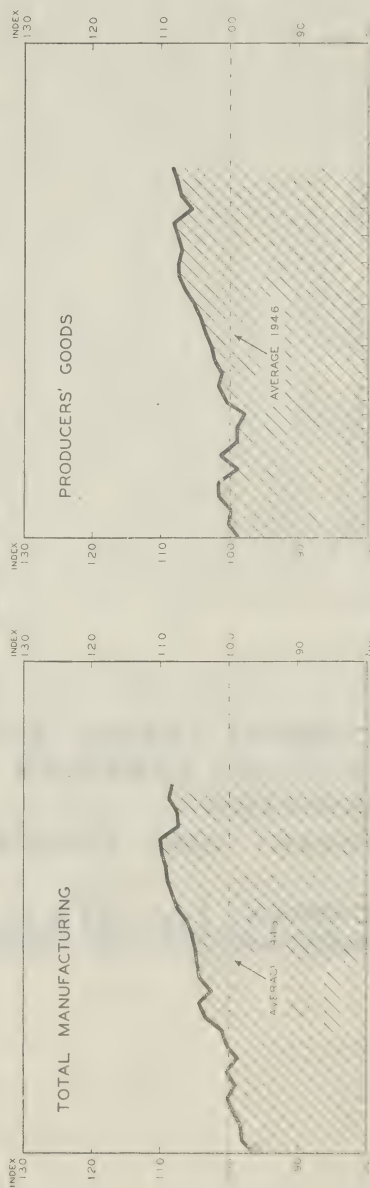
- ▲ CURRENT LABOUR SITUATION
IN MAJOR CANADIAN
INDUSTRIES
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

EMPLOYMENT TRENDS

MAJOR MANUFACTURING INDUSTRIAL GROUPS

(INDUSTRIES GROUPED ACCORDING TO GENERAL USE OF PRODUCTS)

1946 - 1947 - 1948



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

Employment in Canadian industries registered further seasonal gains during May, with the upward trend stronger toward the month-end. Agriculture and construction showed the greatest increases; more modest growth was displayed in manufacturing, transportation, communications and services. Coal mining was relatively stable while both the metallic and non-metallic groups showed gains. Total employment was approximately 3 per cent above that for May, 1947.

MANUFACTURING.....

Estimated employment (June 1).....1,265,000

The spring seasonal upswing in manufacturing employment, delayed by adverse weather conditions in March and April, did not commence until about the middle of the latter month. This trend continued throughout May with the food, beverage, pulp and paper, containers, petroleum refining, and sawmill industries all adding extra workers in preparation for a period of seasonal activity. A slight seasonal decline was noted in clothing, while rubber employment dropped off fractionally because of an excess of production over demand. Aircraft manufacturing was passing through a further stage of post-war contraction.

Layoffs during May were fewer than in the immediately preceding months due to general seasonal recovery. The majority were of a temporary nature, caused by material shortages, and were centered chiefly in the steel-using industries.

Labour-management negotiations resulted in the signing of a considerable number of collective agreements which granted substantial wage increases very much in keeping with the pattern which had been set earlier in the year. The most notable feature of the month's negotiations was the signing of agreements covering the major portion of the pulp and paper industry. On the whole, labour-management relations were amicable and most agreements were arrived at without recourse to strike action on the part of the workers.

AGRICULTURE.....

Estimated employment (June 1).....1,160,000

Poor weather during April and early May throughout most regions caused agricultural operations to be delayed. Hence the demand for farm labour was relatively light, except in southern Ontario where more favourable climatic conditions prevailed. In this area, a labour shortage was reported as early as the first of May. Except for British Columbia where

severe floods were being encountered at the month-end, seeding operations progressed favourably in the last week of the month and the demand for labour strengthened considerably. The full extent of flood damage to farm lands in the Fraser Valley will not be known for some time but it is estimated that the strawberry and raspberry crops will be considerably reduced. The movement of some 1,000 female berry pickers from the prairies to B. C. is being delayed and, in fact, may not take place as originally planned. However these workers will be available if a labour shortage should develop.

In the Maritime region, requirements are still very light and sufficient workers are available. Quebec reported a shortage of suitable farm help in several zones at the beginning of June. Most of the farming areas in Ontario are already short of help and the situation is expected to grow more acute as fruit and vegetable crops become ready for marketing. The period of heavy demand for labour has not yet arrived in the Prairie region and, to date, the labour supply-demand situation has remained in fairly satisfactory balance with shortages evident in only a few isolated instances.

The movement of Canadian harvesting units to the southern United States did not take place in May as previously anticipated because of poor crop yields. These workers are expected to leave for the United States during June in much smaller numbers than last year.

The shortage of help in Canada is being alleviated to some extent by the immigration of Dutch farmers. Reports received indicate they are proving highly satisfactory. Further aids to the labour shortage are being planned under the Dominion-Provincial Farm Labour program, and every effort will be made to provide assistance during the harvest season through inter-provincial movements of workers to areas where acute shortages develop.

This labour shortage, in the face of a high level of demand coupled with favourable prices being received for farm produce, continues to effect an upward movement in agricultural wages and the average rates paid to farm help in Canada at May 15 were higher than for any comparable date for which statistics are available.

Table I--Canada - Average Wage Rates per Month
Paid to Farm Help

(Source: D.B.S. - Farm Wage Rates in Canada)

Date	\$ per Month (Without Board)
May 15, 1941.....	46.45
May 15, 1946.....	96.27
May 15, 1947.....	103.96
May 15, 1948.....	113.07

CONSTRUCTION.....

Estimated employment (June 1).....260,000

Although construction employment was maintained at a fairly high level during the winter months on the basis of a large backlog of work carried over from 1947, a pessimistic picture began to form in the first quarter of this year when value of contracts awarded dropped off sharply. The lost ground was recovered during April and May, however, when building contracts to the value of \$80.7 million and \$139.9 million, respectively, were recorded. Thus the total for the first five months of 1948 is substantially above that for the comparable period of last year and the immediate future now looks very promising.

Table II--Construction Contracts Awarded
(Millions of Dollars)

(Source: MacLean Building Reports)

Category	January 1 to May 31		Per Cent Change 1947-1948
	1947	1948	
Residential.....	56.9	135.5	+138.1
Business.....	98.2	107.9	+ 9.9
Industrial.....	38.9	31.2	- 19.8
Engineering.....	59.7	74.6	+ 25.0
Total.....	253.7	349.2	+ 37.6

The May contracts total constituted an all-time high for that month. By region, Ontario is displaying the greatest amount of activity, with Quebec next in importance.

Residential building now dominates the construction picture with contracts showing an increase of 138.1 per cent over the comparable period for last year; the total of \$135.5 millions leads all other groups by a considerable margin. Higher construction costs, combined with the increased cost of financing new capital, are reflected in a 19.8 per cent decrease in industrial contracts since last year.

While the percentage drop in construction employment from November 1, 1947, to March 1, 1948, was approximately the same as during the winter of 1946-47, peak employment was maintained for a much longer period last fall and the decline did not begin until late in November. As a result the seasonal contraction during the past winter was of much shorter duration. In addition, the March 1, 1948, figure of 219,000 (Labour Force Survey) was 33,000 above that for March, 1947.

Production of most building materials is currently at a much higher rate than at any time in the immediate past. This, combined with the record volume of contracts recently awarded, will create a demand for labour that will tax supply to the limit. In fact, a period of shortage has already arrived.

A general scarcity of skilled and semi-skilled workers prevails throughout the country, with the exception of the Maritime region, where building is only mildly active. Unskilled help is in fair supply but, of course, can only be utilized in proportion to the number of skilled men employed.

Because of the shift in emphasis to residential building, there will be, perhaps, less need to rely on American imports. With the increased production of domestic products, work stoppages due to material shortages should be fewer this year.

The flurry of strikes that occurred in various sectors of the building trades during April and May appears to have subsided and labour relations are once again in a state of equilibrium.

TRADE.....

Estimated employment (June 1).....750,000

Trade continues in a very active state, supported by high levels of production and consumption in both domestic and foreign markets. In the retail trade group, an upward trend in dollar volume of sales is being maintained by rising prices, but physical volume has fallen off slightly in the very recent past. However, the effect on employment has been slight and the level is being well maintained. Labour is in adequate supply, but experienced help is still needed.

Retail trade will be stimulated during the summer months when a record number of American tourists is expected to visit Canada. Recent estimates indicate that U. S. visitors will spend about \$250 million dollars here this year and that one quarter of this amount, or over \$60 million, will be expended on merchandise. This latter amount may be further augmented in view of recent legislation which now permits U.S. citizens to return home from foreign countries (after an absence of 12 days) with goods to a value of \$400. This is four times the former duty free limit. This heavy influx of American dollars should stimulate the trade, as well as the transportation and service industries, over the next few months.

Wholesale trade will, of course, follow retail trade fairly closely.

RECENT WAGE CHANGES

The wage announcements which appear in the following pages were made during the latter part of April and the month of May. ⁽¹⁾ They affected some 90,600 persons as compared with 23,500 recorded during April. Of the number of persons reported, 40 per cent were in construction occupations and 28 per cent in pulp and paper mills. Slightly more than 84 per cent received increases in excess of 10 cents per hour.

During May, labour-management negotiations resulted in the number of persons listed as having received wage increases more than tripling the number published for the previous month. Apart from two minor instances in the construction industry, increases were brought about without strike action.

Outstanding among the increases recorded are those in large pulp and paper mills, which affected some 25,400 persons covered by five collective agreements. Approximately 61 per cent of the hourly workers in the industry received increases during the month.

Construction workers and contractors are well on the way to wage settlements and it now appears that the season's work will proceed without any major work stoppage. For the most part, the increases granted during May to nearly 36,100 construction workers across Canada have shown a uniformity.

Settlements for all workers in ornamental iron and bronze firms as well as for all construction tradesmen in the Montreal area, show the influence of the Quebec Province Collective Agreements Act in operation.

The establishment of new pay rates in the Minto Area, N.B., coal fields leaves coal operations unsettled in only the Edmonton district. The United Rubber Workers of America drive for higher wages has been completed in a second key plant without a work stoppage and there are indications of an early settlement in a third plant in the Kitchener area.

Wage talks on behalf of railway workers are proceeding slowly and union workers are anxious to avert a strike. Negotiations are also going on among Ontario gold miners, British Columbia lumbermen, and workers in the three major meat packing companies.

(1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices and Employment Forecast Survey reports. The average hourly earnings quoted in the following tables are as at March 1, 1948, as published by the Dominion Bureau of Statistics.

WAGE INCREASE ANNOUNCEMENTS May, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av.hr.earnings 108.4¢)			
<u>Coal Mining:</u> (Av.hr.earnings 121.5¢)			
Minto Area, New Brunswick, Datal Contract	20¢ per day 10¢ per ton	May 1/48 "	
Miramichi Lumber Co.)		"	370
Newcastle Coal Co.)		"	105
Benton Evans Coal Co.)		"	70
Welton & Henderson Coal Co.)		"	80
<u>MANUFACTURING</u> (Av.hr.earnings 88.0¢)			
<u>Leather Boots & Shoes:</u> (Av.hr.earnings 66.0¢)			
Fern Shoe Co. Ltd., Penetanguishene, Ont.	2¢ per pair	May 1/48	70
<u>Rough & Dressed Lumber:</u> (Av.hr.earnings 86.8¢)			
Peterborough Lumber Co. Ltd., Peterborough, Ont.	12¢ per hour	Apr. 23/48	80
<u>Containers:</u> (Av.hr.earnings 74.8¢)			
Canada Manufacturing Co. Ltd., L'Epiphanie, P.Q.	12¢ per hour	May 3/48	170
Zimmerman Bros., Tavistock, Ont.	6¢ "	May 31/48	75
<u>Bread & Bakery Prod:</u> (Av.hr.earnings 66.9¢)			
Christie, Brown & Co. Ltd., Toronto, Ont.	10¢ per hour	Mar. 1/48	885
Christie's Bread Ltd., " "	"	"	
<u>Chocolate & Cocoa Prod:</u> (Av.hr.earnings 60.8¢)			
W.J. Lowney Co. Ltd., Montreal, P.Q.	9¢ per hour	May 21/48	450
<u>Pulp & Paper:</u> (Av.hr.earnings 100.8¢)			
Abitibi Power & Paper Co.			
Sault Ste. Marie, Ont.	10% with a min.	May 1/48	565
Port Arthur, " "	of 10¢ per hour	"	325
Smooth Rock Falls, " "	"	"	320
Iroquois Falls, " "	"	"	975
Fort William, " "	"	"	265
Pine Falls, Man. "	"	"	365
Beaupre, P.Q. "	"	"	320
Beaver Wood Fibre Co., Thorold, Ont.	"	"	375
Brompton Pulp & Paper Co., Nipigon, Ont.	"	"	50
Great Lakes Paper Co., Fort William, Ont.	"	"	860
K.V.P. Co., Espanola, Ont.	"	"	460
Kimberly Clark Corp. of Canada, Kapuskasing, Ont.	"	"	35
Marathon Paper Mills, Marathon, Ont.	"	"	480
Ontario Paper Co., Thorold, Ont.	"	"	1,050
Ontario-Minnesota Paper Co.			
Fort Frances, Ont.	"	"	630
Kenora, Ont.	"	"	605

WAGE INCREASE ANNOUNCEMENTS May, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>Pulp & Paper: (Cont'd)</u>			
Provincial Paper Co.	10% with a min. of 10¢ per hour	May 1/48	170
Thorold, Ont.	"	"	460
Port Arthur, Ont.	"	"	80
Georgetown, Ont.	"	"	210
Mille Roches, Ont.	"	"	1,525
Spruce Falls Power & Paper Co., Kapuskasing, Ont.	10%	"	1,200
Howard Smith Paper Mills Ltd., Cornwall, Ont.			
Canadian International Paper Co.			
Mechanics	14¢ per hour	May 14/48	
All others	10¢ "	"	
Three Rivers, P.Q.)			1,405
Gatineau, P.Q.)			1,400
Temiskaming, P.Q.)			860
Hawkesbury, Ont.)			730
New Brunswick International Paper Co., Dalhousie, N.B.)			1,025
Bloedel Steward & Welch, (Pulp Div.)			
Port Alberni, B.C.	12-16¢ per hour	May 30/48	1,200
B.C. Pulp & Paper Co.			
Fort Alice, B.C.	"	"	575
Woodfibre, B.C.	"	"	620
Pacific Mills Ltd., Ocean Falls, B.C.	"	"	770
Powell River Co. Ltd., Powell River, B.C.	"	"	1,430
Sorg Pulp Co., Fort Millon, B.C.	"	"	400
Consolidated Paper Corporation Ltd.	10-24¢ per hour	May 27/48	
Grandmere, P.Q.	"	"	945
Shawinigan Falls, P.Q.	"	"	815
Three Rivers, P.Q.	"	"	790
Port Alfred, P.Q.	"	"	690
Cap de la Madeleine, P.Q.	"	"	435
<u>Rubber: (Av.hr.earnings 95.6¢)</u>			
Dominion Rubber Co., Kitchener, Ont.			
Merchant Plant	10¢ per hour	Apr.12/48	1,200
Textile Plant	"	"	150
<u>Hosiery & Knit Goods: (Av.hr.earnings 63.8¢)</u>			
Butterfly Hosiery Co.Ltd., Drummondville, P.Q.	15%	Mar.31/48	365
<u>Garments & Personal Furnishings:</u>			
(Av.hr.earnings 69.6¢)			
Toronto, Ont. Fur Workers (30 Establishments)	10%	Apr.15/48	500
<u>Tobacco: (Av.hr.earnings 66.8¢)</u>			
Imperial Tobacco Co., Granby, P.Q.	8¢ per hour	May 25/48	1,000
General Cigar Co., Montreal, P.Q.	"	"	300
Macdonald Tobacco Co., Montreal, P.Q.	6¢ "	"	1,270

WAGE INCREASE ANNOUNCEMENTS May, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Av.hr.earnings 88.0¢)Cont'd.			
<u>Crude, Rolled & Forged Prod:</u> (Av.hr.earnings 100.9¢)			
Chromium Mining & Smelting Corp. Ltd., Sault Ste. Marie, Ont.	10¢ per hour	Apr. 16/48	275
St. Lawrence Alloys & Metals Co. Ltd., Melocheville, P.Q.	9¢ "	May 5/48	440
Ontario Malleable Iron Co. Ltd., Oshawa, Ont.	6-9¢ "	May 4/48	500
<u>Primary Iron & Steel:</u> (Av.hr.earning 102.7¢)			
Steel Co. of Canada Ltd. Lachine Plant, Montreal, P.Q.	11½¢ "	May 26/48	290
St. Henri Plant, " "	" "	" "	280
<u>Machinery Other Than Vehicles:</u> (Av.hr.earnings 92.9¢)			
Northern Foundry & Machine Co. Ltd., Sault Ste. Marie, Ont.	8-10½¢ "	May 1/48	45
<u>Land Vehicles & Aircraft:</u> (Av.hr.earnings 104.3¢)			
Canadian Car & Foundry Co. Ltd., Fort William, Ont.	8¢ "	May 12/48	1,000
<u>Automobiles & Parts:</u> (Av.hr.earnings 114.4¢)			
Trailmobile Canada Ltd., Ojibway, Ont.	10¢ "	May 10/48	40
<u>Steel Shipbuilding & Repairing</u> (Av.hr.earnings 99.2¢)			
Port Arthur Shipbuilding Co. Ltd., Ont.	6¢ "	Jan.26/48	450
Collingwood Shipyard Ltd., Ont.	5¢ "	" "	700
Midland Shipyard Ltd., Ont.	" "	" "	450
<u>Iron & Steel Fabrication:</u> (Av.hr.earnings 94.8¢)			
Dominion Bridge Co., Ottawa, Ont.	3¢ "	Feb. 1/48	110
Winnipeg, Man.	4¢ "	May 1/48	
Canadian Bridge Co. Ltd., Windsor, Ont.	10¢ "	Feb. 1/48	235
Page-Hersey Tubes Ltd., Welland, Ont.	10¢ "	May 7/48	630
Canadian Tube & Steel Prod. Co., Montreal, P.Q.	6¢ "	Jan. 1/48	1,020
Hourly	11½¢ "	May 10/48	295
Piecework	25¢ "	" "	
Canadian Steel Corporation, Ojibway, Ont.	9½¢ "	May 18/48	140
Canadian Forge Co. Ltd., Montreal, P.Q.	10¢ "	Mar. 4/48	25
A. Faustin Ltee., Montreal, P. Q.	" "	" "	30
Montreal Forge Co. Ltd., Montreal, P.Q.	" "	" "	45
A & S Architectural Iron Works, Montreal, P.Q.	" "	" "	30

WAGE INCREASE ANNOUNCEMENTS May, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>Iron & Steel Fabrication: (Cont'd)</u>			
Montreal Architectural Iron Works, Montreal, P.Q.	10¢ per hour	Mar. 4/48	45
Moore & Freres Ltd., Montreal, P.Q.	"	"	20
Vulcan Steel Co. Ltd., Montreal, P.Q.	"	"	25
Canadian Welding Works Ltd., Montreal, P.Q.	"	"	30
Montreal Metalworked Products, Montreal, P.Q.	"	"	15
Other Ornamental Iron & Bronze, firms in Montreal Area (Under CAA), Montreal, P.Q.	"	"	230
<u>Hardware, Tools & Cutlery: (Av.hr.earnings 88.1¢)</u>			
The Canadian Fairbanks-Morse Co. Ltd., Sherbrooke, P.Q.	10¢ per hour	Apr. 1/48	190
James Robertson Co. Ltd., Montreal, P.Q.	8¢ "	May 26/48	70
<u>Foundry & Machine Shop Prod: (Av.hr.earnings 96.8¢)</u>			
Fittings Ltd., Oshawa, Ont.	8-11¢ "	May 3/48	700
Canadian Bronze & Powder Works Ltd., Valleyfield, P.Q.	5-9¢ "	May 5/48	95
<u>Sheet Metal Work: (Av.hr.earnings 90.0¢)</u>			
Westeel Products Ltd., Regina, Sask.	8-10¢ "	May 1/48	40
<u>Preparation of Non-ferrous Metallic Ores: (Av.hr.earnings 103.4¢)</u>			
International Silver Co. of Canada Ltd., Hamilton, Ont.	10-12¢ "	Apr. 6/48	200
Niagara Falls, Ont.	"	"	220
Consolidated Mining & Smelting Co. of Can. Ltd., Kimberley, B.C.	12½¢ "	Mar. 1/48	1,700
Trail, B.C.	"	"	4,170
<u>COMMUNICATIONS</u>			
Canadian Marconi Co. Ltd., Montreal, P.Q.	\$15. per month	May 10/48	170
<u>TRANSPORTATION</u>			
<u>Local Transportation: (Av.hr.earnings 91.4¢)</u>			
Cornwall Street Railway, Light & Power Co.	5¢ per hour	May 1/48	20
Nolin Trucking Co., Quebec City, P.Q.	16¢ "	May 29/48	200
<u>Water Transportation:</u>			
Quebec City Port Workers	Salaried \$120-\$180. per an.	Oct./47	35
	Hourly 8-13¢ per hour,	Nov./47	
Longshore Workers, Port of Montreal, P.Q. (50 shipping Cos.)	15-17¢ "	May 17/48	4,000
Branch Lines Ltd., Tanker Div. Montreal, P.Q.	\$40. per month	May 20/48	20
Vancouver Barge Transportation Ltd., B.C.	5¢ per hour	Feb. 27/48	115

WAGE INCREASE ANNOUNCEMENTS May, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>CONSTRUCTION</u>			
Building Construction: (Av.hr.earnings 99.2¢)			
Calgary, Alta. - Carpenters -	15¢ per hour	Apr. 1/48	400
Cornwall, Ont. - Carpenters -	12¢ "	May 18/48	500
	Labourers -	"	
Edmonton, Alta. - Roofers -	13¢ "	"	
Halifax, N.S. - Bricklayers -	10¢ "	May 1/48	20
	Plumbers -	"	95
	Carpenters -	"	140
	Electricians -	"	890
	Plasterers -	"	370
	Painters & Decorators -	"	20
	Sheet Metal Workers -	"	75
Hamilton, Ont. - Painters & Decorators -	13¢ "	"	70
Kingston, Ont. - Carpenters & Joiners -	10¢ "	Apr. 1/48	250
Kitchener, Ont. - Painters & Decorators -	15¢ "	May 3/48	375
Montreal, P.Q. - All Construction Tradesmen -	15¢ "	Mar. 1/48	70
Ottawa, Ont. - Carpenters & Joiners -	10-25¢ "	May 10/48	25,000
		May 1/48	625
		Oct. 4/48	
	Bricklayers & Stonemasons -	May 1/48	100
	Painters & Decorators -	"	100
Regina, Sask. - Painters & Decorators -	15¢ "	"	75
	Carpenters & Joiners -	May 11/48	400
	Bricklayers & Stonemasons -	May 1/48	35
	Plasterers -	"	10
	Electricians -	"	50
	Plumbers & Steamfitters -	"	150
	Sheet Metal Workers -	"	10
Sault Ste.Marie, Ont. - Carpenters -	12¢ "	May 15/48	200
Toronto, Ont. - Electricians -	20¢ "	June 1/48	695
	Carpenters & Joiners	May 1/48	3,200
	Hoisting Engineers	"	250
Vancouver Zone, B.C. - Painters & Decorators -	15¢ "	"	955
		"	
	8¢ C. of L.	"	
Windsor, Ont. - Painters -	10¢ per hour	Apr. 23/48	200
	Paperhangers -	"	
	Sheet Metal Workers	May 1/48	30
Winnipeg, Man. - Cement Finishers -	15¢ "	"	50
	Elevator Constructors	"	30
	Electricians	"	705
	Construction Labourers	"	-
<u>SERVICES</u> (Av.hr.earnings 56.6¢)			
Hotels & Restaurants: (Av.hr.earnings 55.4¢)			
Hotel Workers in Vancouver, B.C.			
(Chambermaids, Cooks, Waiters & Waitresses)	10¢ "	Apr. 30/48	300

WAGE INCREASE ANNOUNCEMENTS May, 1948 (Concl'd)

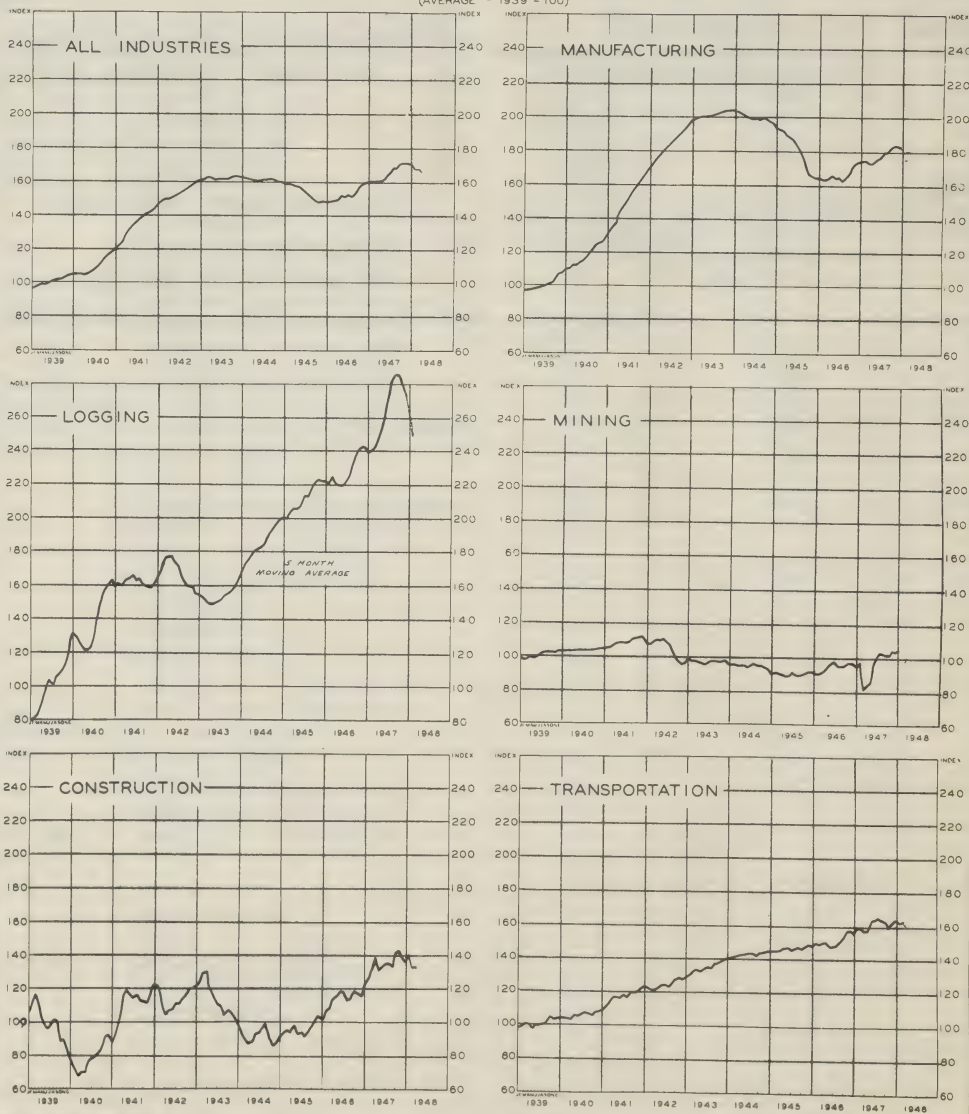
Industry and Firm	Amount	Date Effective	Number Affected
<u>SERVICE</u> (Av.hr.earnings 56.6¢) Cont'd			
<u>Personal:</u> (Av.hr.earnings 59.1¢) Vancouver, B.C. Association of Machinists & Motor Dealer Workers -	\$1.25 per hour min. wage	2-3 Jan. 1/48 Bal.Apr. 1/48	1,000
<u>TRADE</u>			
<u>Retail:</u> N.G. Valiquette, Montreal, P.Q. Superior Food Stores, Vancouver, Victoria, New Westminster, B.C. - Grocery Clerks	5-10¢ per hour \$3.50-\$7.50 per week	May 17/48 May 13/48	120 125

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE - 1939 = 100)



CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Approximately 5,970 workers were affected by lay-offs during May, 1948, compared to 7,345 during April and 8,682 during March. Seventy per cent of the lay-offs during May were concentrated in the transportation equipment industry; 10 per cent were in iron and steel; 7 per cent in wood products and 5 per cent in clothing. Only one per cent of the lay-offs during May were due to seasonal causes. Shortage of materials accounted for 63 per cent of the lay-offs and shortage of orders for 30 per cent.

During the past two years, Canadian manufacturing industries have been expanding steadily in an attempt to meet the large demand for all types of manufacturing products which existed both here and in other countries. This backlog of demand for civilian goods, which was built up throughout the war years, has not been satisfied in any general manner. As a result, manufacturing employment has been steadily increasing until it is now approximately 3 per cent above last year's level and 19 per cent above the average 1946 level.

Supplies of some types of goods, however, are beginning to match existing demand. In some cases, a larger supply of goods has been made available through expanded production facilities; in others, demand has been lessened by higher prices.

In many industries, such an equilibrium between demand and supply has resulted in the lay-off of a number of workers in the industry concerned. For the most part, lay-offs which are currently taking place as a result of a shortage of orders, are of a temporary nature. The workers involved, therefore, can find work in other fields where shortages of labour continue to exist.

Many lay-offs are also due to material shortages. This is particularly true in industries utilizing steel products, although such lay-offs are occurring sporadically in a few other fields. From time to time, the import restrictions on goods from the United States have resulted in lay-offs of a few workers, but, as yet, there have been only isolated instances.

Lay-offs may also take place because of seasonal inactivity or because of other temporary developments such as repairs or stock-taking. For the most part, such work stoppages are only of a temporary nature.

In order to have current information available on the extent and nature of lay-offs in manufacturing industries, the offices of the National Employment Service are reporting any such developments as soon as they occur. These reports will henceforth be tabulated and presented in the following table in this section of the Canadian Labour Market. It should be clearly understood that such reports do not provide a complete listing of all lay-offs that occur in the country, but they certainly include data on all major lay-offs.

Table I--Lay-offs Reported by National Employment Service Offices
in Manufacturing Industries, by Cause

Cause of Lay-off	March, 1948		April, 1948		May, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders.....	1,714	19.7	2,119	28.9	1,786	29.9
Shortage of Materials..	727	8.4	3,234	44.0	3,732	62.5
Seasonal.....	1,910	22.0	616	8.4	62	1.0
Other Causes.....	4,331	49.9	1,376	18.7	390	6.6
Total.....	8,682	100.0	7,345	100.0	5,970	100.0

Table II--Lay-offs Reported by National Employment Service Offices
in Manufacturing Industries, by Industry

Industry	March, 1948		April, 1948		May, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages.....	1,429	16.5	426	5.8	-	-
Tobacco Products.....	1,089	12.5	275	3.7	-	-
Rubber Products.....	167	1.9	199	2.7	100	1.7
Leather Products.....	29	0.3	388	5.3	42	0.7
Textile Products.....	378	4.4	491	6.7	33	0.6
Clothing.....	95	1.1	597	8.1	323	5.4
Wood Products.....	130	1.5	313	4.3	408	6.8
Paper Products.....	94	1.1	35	0.5	60	1.0
Iron and Steel.....	380	4.4	1,497	20.4	594	10.0
Transportation Equipment	4,259	49.1	2,597	35.4	4,161	69.7
Non-Ferrous Metals.....	59	0.7	50	0.7	-	-
Electrical Apparatus...	204	2.3	267	3.6	151	2.5
Non-Metallic Mineral Products.....	91	1.0	18	0.2	-	-
Chemical Products.....	28	0.3	67	0.9	44	0.7
Miscellaneous.....	250	2.9	125	1.7	54	0.9
Total.....	8,682	100.0	7,345	100.0	5,970	100.0

REGIONAL ANALYSIS

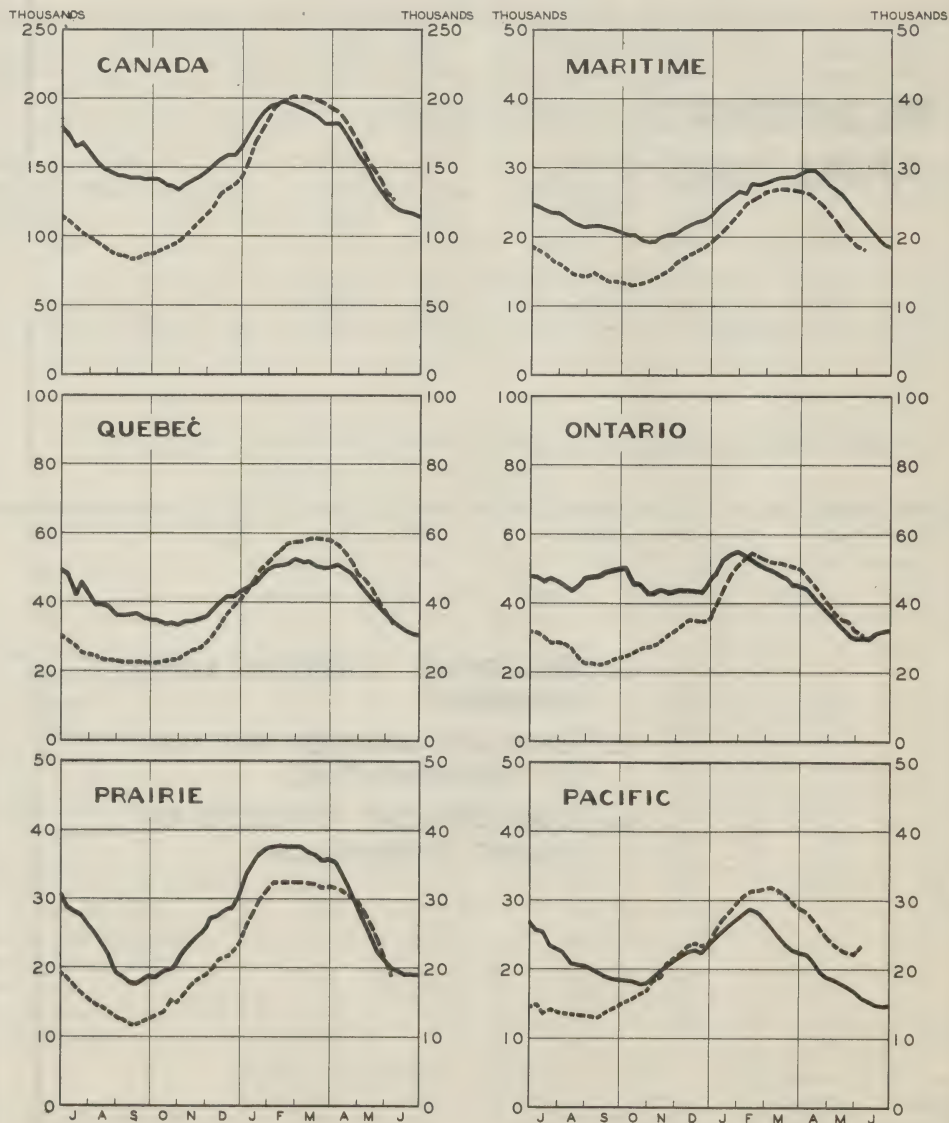
- ▲ REGIONAL LABOUR MARKET
SUMMARY
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF
PLANT EXPANSION

REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

[JULY 1946 - JULY 1947] [JULY 1947 TO DATE]



REGIONAL LABOUR MARKET SUMMARY

Labour market operations in Canada during May showed increased activity compared with April, except in the Pacific region where industry has been hampered by severe floods. The agricultural industry in the Prairie region now has largely recovered from the floods in April with no serious economic results. Seeding is late in the Maritime region. Both the Ontario and Quebec regional economies are in an extremely favourable condition.

The Maritimes

Cold wet weather during most of May retarded activity in seasonal industries, particularly in agriculture and construction. Although employment shows little improvement in Nova Scotia, in most areas in New Brunswick job opportunities are increasing.

The reduction in the number of unplaced applicants in the Maritime region during May was greater than during April, when seasonal employment first started to pick up. Labour surpluses will continue in many Nova Scotia centres; in contrast, many New Brunswick localities expect either relatively light unemployment or a labour shortage by the end of June.

Agricultural work is very late throughout the Maritime region and demand for labour is generally light. The season in Prince Edward Island is the latest in forty years; less than one-quarter of the grain and potatoes was planted by the end of May. Seeding throughout Nova Scotia has been delayed by cold, wet weather. The prospects for an average grain and potato crop are not good, while the outlook for hay and pasture crops is satisfactory. In New Brunswick, warm weather during the last week in May dried the fields and seeding is practically completed.

Many men are employed in the fishing industry now, and fish packing plants in most districts are operating at capacity. No shortage of help has been encountered. Landings of fish are higher than at the same time in 1947 with a corresponding gain in landed values. The lobster catch to date is relatively the same as in 1947, but values are somewhat lower.

Construction work is more active, particularly in New Brunswick where nearly all skilled labour will soon be employed, and several localities anticipate labour shortages. Value of contracts awarded in the Maritime provinces during May, 1948, was slightly down from the same time a year ago; this was the only region which did not show a substantial gain in contracts awarded during May, 1948.

The shipbuilding industry is fairly active but nearly all shipyards were affected by a shortage of general repair work. Construction material manufacturing, and pulp and paper are both operating at a high level. Labour is plentiful for saw mill and increased logging operations. Highway construction and repair work in Cape Breton this summer is expected to employ more than 1,000 men and should ease the unemployment situation in that area.

Quebec

Seasonal hiring is rapidly increasing in tempo. During May, the annual logging drive, along with construction and transportation activity, employed thousands of additional men, and accordingly the number of unplaced applicants declined at a rate comparable with 1947. Thus another year of high employment and labour shortages is in prospect for this region.

Crop conditions in Quebec are even better than a year ago when cash income from the sale of farm products totalled \$295.8 million, the highest on record. Heavy rains and cold weather in the middle of May, however, caused a delay in seeding in the lower St. Lawrence, Gaspé, and western Quebec areas. Farm labour shortages are of such a nature that farmers in many districts are asking for Displaced Persons and thus the cumulative demand for immigrant help is considerable at this time.

The annual river drive got well under way during May. Thousands of men are now temporarily employed in driving operations and a considerable force will be kept on during the summer. Many men will work in the United States logging camps this summer.

Although the port of Montreal was very quiet during May because of lack of export trade, hundreds of stevedores were hired in St. Lawrence river ports to ship pulpwood, paper, and grain. This work will continue during the summer, and further employment increases are expected in June. The logging industry is also providing additional work and employment in trucking firms.

Since all branches of construction work are much more active than in April, both skilled and unskilled workers are rapidly being absorbed. There are enough unskilled workers to meet present requirements, but a shortage of all classifications of labour will likely develop in some areas.

In manufacturing, the large pulp and paper, iron and steel, non-ferrous metal, and chemical industries are generally working at capacity. While some of the larger textile firms are hiring workers, numerous cases are evident where overproduction has led to either a decrease in employment or a shorter work week.

Ontario

The seasonal improvement in employment conditions accelerated during May. Unquestionably the greatest single factor influencing the upward employment trend is the construction industry. Many manufacturing firms, however, are also seasonally in the market for general labour.

The number of unplaced applicants declined from 39,750 at the end of April to 31,980 at May 27, 1948. The decrease was mostly in the male labour field. Full employment is reported in many areas but numerous instances are reported where at least half of the applicants registered for employment are unsuitable for current job openings.

Cold and wet weather in Ontario during the middle of May retarded growth of spring crops. In south-western Ontario, some areas have had spring grain damaged by excessive moisture, necessitating re-seeding. In eastern and northern Ontario, spring grain prospects are

more favourable. The current warm weather is expected to produce rapid crop improvement. In vegetable growing areas, some early truck crops are already being harvested. The farm labour shortage in previous years has reappeared and, while many D.P's have been placed in employment, there seems very little hope that agricultural labour demands will be met. Many farmers are managing quite well without assistance but would undoubtedly hire help if it were available.

The river drive got well underway during May and many men are temporarily engaged in this work. Most saw-mills are very active as the new cut of logs arrived.

The volume of employment in manufacturing is being well maintained. Many men are being hired as general factory labourers, and many more to replace workers during the summer vacation period. Heavy foundry labour is in short supply in many localities. The demand for labour in the textile industry is mild in comparison with last year. Firms manufacturing building materials, particularly paint and structural steel, are very active and labour demand is considerable. Busy industrial centres such as Hamilton, Brantford, St. Catharines, and New Toronto report either a shortage of, or a heavy demand for, general factory workers.

The construction industry became much more active during May. Most skilled tradesmen have been absorbed and the supply of good unskilled labour in many areas is being rapidly depleted.

Labour demand in the service trades increased rapidly during the month as restaurants and summer hotels prepared for a busy tourist season. Suitable female labour is not available in many cases.

The Prairies

Imperative seeding operations, accelerated construction activity, and the removal of the ban on road transportation, all contributed to increased employment activities in May in this region.

There were 21,450 unplaced applicants registered in Prairie employment offices at May 27, 1948 compared to 28,370 at May 6, and 21,150 at the end of May, 1947.

Warm dry weather prevailed over the Prairie province during the later part of May, and excellent progress was made in seeding operations. Wheat seeding is completed in Manitoba and nearing completion in Saskatchewan. In Alberta, the percentage of all seeding completed varies from 100 per cent in the south-east of the province down to about 25 to 30 per cent in the Calgary-Claresholm area, where excessive moisture delayed field work until late in May. In the Calgary district, many farmers will continue seeding until the tenth of June. The rapid germination and growth of crops is doing much to overcome the delay in seeding.

Because of the two to three-week delay in seeding operations, an abnormally high demand for farm labour was created during May. Many farmers were and are working a 24-hour day to complete this first phase of their work and demand is heavy for extra tractor and machine hands to complete shifts. Such temporary labour has been easier to secure this year than last because higher wages are being offered. The general labour shortage created by rushed seeding operations may ease off

considerably in June when the spring rush is over. Little or no seeding will be done in the flooded districts of The Pas and the Assinaboine basin, east of Portage la Prairie.

With the increase of construction activity during May, most of the available skilled workmen have been absorbed and shortages of certain types of skilled labour are developing. Job opportunities for good unskilled labour were also more numerous. Overall construction work is quite extensive, but some smaller cities and towns report a considerable dwindling in housing construction.

Sash and door, brick plants, and other construction materials manufacturers are much more active. The clothing industry shows signs of recuperating from the spring slump. The removal of road transportation bans in all three provinces during May permitted a slight increase in employment in meat packing plants but this industry, except for the spring rush, is seasonally inactive.

River drives in the region got under way during May and, as a result, saw mills at the Lakehead are employing many more men than during April.

British Columbia

The overall seasonal increase in employment during May was considerably disrupted by increasing flood damage in the Fraser, Columbia, Kootenay and Skeena river valleys. At the end of the first week in June, the heat wave, which was the primary cause of the flood, was continuing with little relief in sight. Agriculture, logging, and lumbering operations are hard hit in flooded districts.

The decrease in the number of unplaced applicants during May in the Pacific region was by far the lowest in any region in Canada. There were 1,400 fewer unplaced applicants in the Pacific region by the end of May than at the beginning of the month, and 5,500 more than at the end of May, 1947.

Hundreds of men, including troops, are busily engaged in holding back flood waters and are thus temporarily out of the labour market. The flood damage has hit farms, roads and railways very severely. The extent to which labour market conditions will be affected by these developments, however, will not be apparent for some time.

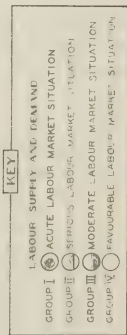
Thousands of acres of rich farm land in the Kootenay and Fraser river valleys are inundated. On June 6, the Kootenay river broke through a second dike at Creston and flooded an additional 8,000 acres of good land; a possible 11,000 acres were flooded previously. In areas not unduly hampered by floods, seeding of cereals is late. Seeding in the Prince George areas was general on May 24, and one week earlier at Vanderhoff. On Vancouver Island, the season is later than average and heavy rains have occurred. The hay fields and pastures have benefited but the strawberry crop will be delayed. Farm labour demand is consequently very low.

Since many saw mills situated on the mainland along waterways and flooded roads are hampered or shut-down, some lay-offs have occurred. It is estimated that 8,000 saw mill workers are idle in the New Westminster area because of floods. Many logging camps on

the mainland have not yet opened due to flooded roads or wet conditions. The large logging industry on Vancouver Island is, however, working normally. There is a shortage of skilled men in some cases, but unskilled labour is sufficient. In the main logging districts, orders for men are low as the threat of a strike is appearing.

The manufacturing industry was generally quiet during May and, at present, labour turnover is very low. Vancouver shipyards are again back to normal production after a short flurry on ship repair work. Pulp and paper mills are hiring seasonal labour. Construction work increased during May but no shortages of labour are reported.

AS AT MAY 1, 1948



LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at May 1, 1948, at April 1, 1948, and at May 1, 1947.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I — Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II — Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III — Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV — Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying market conditions as they are pictured by the local National Employment Service office. The ratings for April and May of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	May 1, 1948	April 1, 1948	May 1, 1947
<u>Population of 100,000 and over</u>			
Quebec	III	III	II
Windsor	III	III	III
Vancouver	III	III	III
Winnipeg	III	III	III
Ottawa	III	III	III
Montreal	IV	IV	IV
Hamilton	IV	IV	IV
Toronto	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney	II	II	I
Halifax	III	III	III
Saint John	III	III	III
Fort William - Port Arthur	III	III	III
Calgary	III	III	III
Regina	III	III	III
Edmonton	IV	IV	III
London	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull	II	II	II
Oshawa	III	III	III
Three Rivers	III	III	III
Saskatoon	III	III	IV
Victoria	IV	IV	IV
St. Catharines	IV	III	IV
Kingston	IV	IV	IV
Peterborough	IV	IV	IV
Brantford	IV	IV	IV
Sherbrooke	IV	IV	IV
Sudbury	IV	IV	IV
Kitchener-Waterloo	IV	IV	IV
<u>Population of under 25,000</u>			
New Glasgow - Pictou	II	II	I
Amherst	II	II	II
Sorel	II	I	IV
Valleyfield	II	II	III
Shawinigan Falls	III	III	III
Chicoutimi	III	III	III
Welland	IV	IV	IV
Trail	IV	IV	IV
Niagara Falls	IV	IV	IV
Sault Ste. Marie	IV	IV	IV

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits if their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

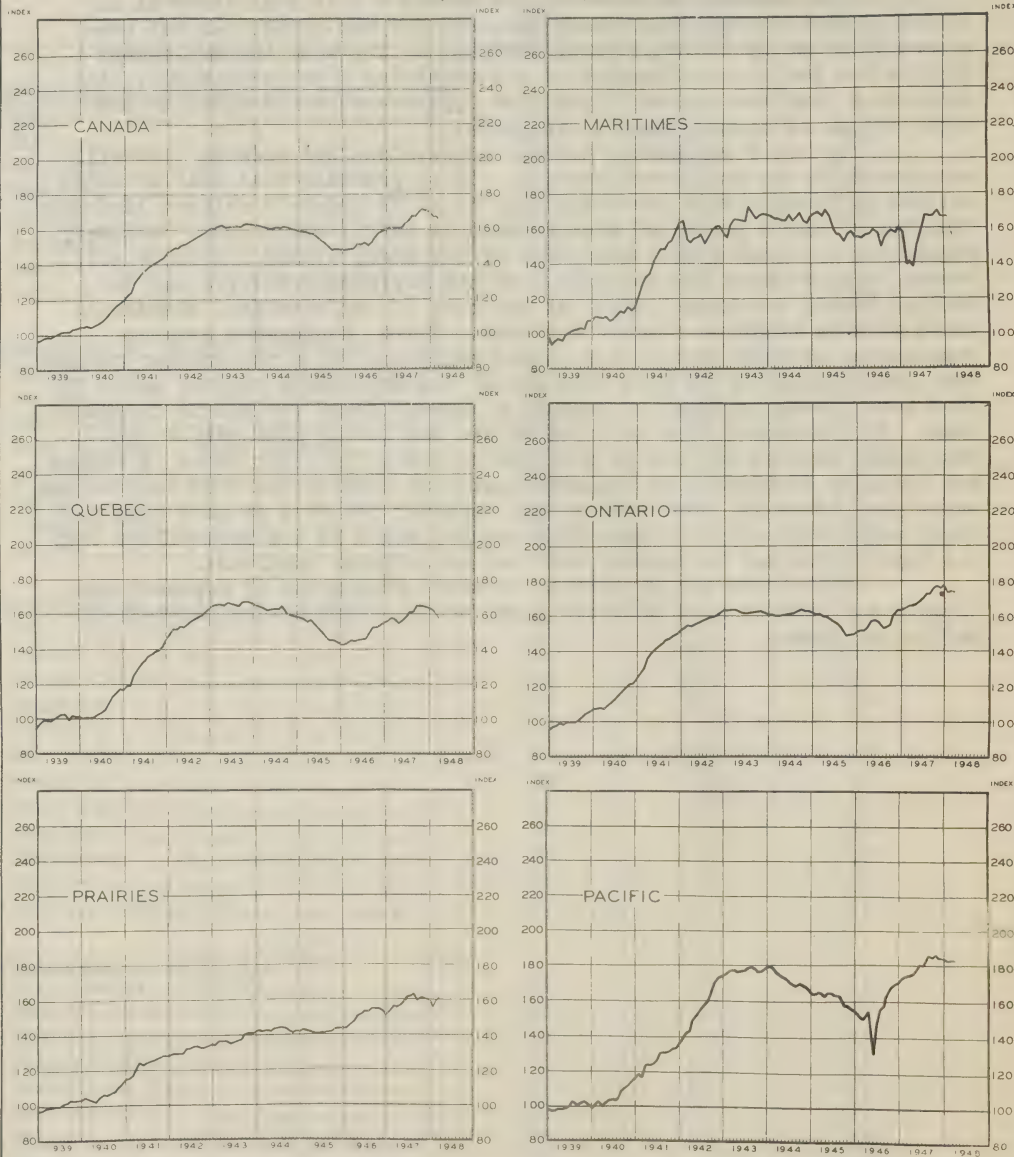
With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO 1947

(AVERAGE - 1939 = 100)



SOURCE: EMPLOYMENT AND PAYROLLS BRANCH - C.B.S.

RESEARCH AND STATISTICS BRANCH - DEPT. OF LAB.

EMPLOYMENT EFFECTS OF PLANT EXPANSION

During the first quarter of 1948, a total of 4,375 potential new jobs became available to Canadian workers as a result of industrial expansion; information to date indicates 2,625 additional jobs will be provided in the second quarter of this year.⁽¹⁾ Despite the fact that awards of industrial construction contracts have fallen off during the first part of 1948, as compared to 1947, there will continue to be a large number of new jobs open as a result of the industrial expansion taking place.

In 1947, a peak of \$513 million was invested by manufacturing firms for new plants, machinery and equipment. Although the value of contracts awarded for industrial construction in the first four months of 1948 was reported as \$22.9 million compared to \$31.1 million in the same period last year. The month of April 1948 showed the first monthly gain compared to 1947 when the value of contracts awarded was \$11.8 million compared to \$6.2 million in April 1947. Because of the time lag between the awarding of a contract and the completion of construction, it is largely the contracts let during 1947 that provided industrial construction, and new plant employment in the first quarter of 1948.

Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where the new industries are located. Industrial expansion also provides a further incentive for the construction of homes in the areas where it has occurred.

For these reasons, therefore, a listing by industry within each area of all such capital expansion, whether it be a new plant, a plant expansion, or the occupation of empty plant facilities, is provided in this section of the Canadian Labour Market from month to month. The type of expansion taking place is denoted as follows: new plant - N.P., plant expansion P.E., and occupation of present plant facilities - P.F. Estimates are also given of the date of completion and the number of new employees required.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

(1) This information was obtained from files in the Research and Statistics Branch, Department of Labour.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expan- sion	Possible Number of New Employees	Probable Time of Commence- ment of Production
Amherst, N.S.	Electrical Apparatus Canadian Assemblies Ltd.	P.F.	200	2nd Qtr/48
Halifax, N.S.	Meat Packing Burns & Co. (Eastern) Ltd.	N.P.	50	2nd Qtr/48
Truro, N.S.	Textiles Merrimac (Canada) Ltd.	N.P.	200	2nd Qtr/48
Lepreau, N.B.	Pulp and Paper Maritime Pulp & Paper Mills Corp.	N.P.	4,000	4th Qtr/49
Montreal, P.Q.	Chemicals Murphy Paint Co. Ltd.	N.P.	100	1st Qtr/48
	Petroleum Products Imperial Oil Ltd.	P.E.	200	4th Qtr/48
Quebec, P.Q.	Leather Products Consolidated Tanneries Ltd.	P.F.	125	3rd Qtr/48
	Rubber Products Goodyear Tire & Rubber Co. of Canada Ltd.	P.F.	200	3rd Qtr/48
Galt, Ont.	Textiles Galtex Ltd.	P.F.	100	4th Qtr/48
Hamilton, Ont.	Office Appliances Remington Rand Ltd.	P.E.	100	3rd Qtr/48
Kingston, Ont.	Electrical Apparatus Gould Storage Battery Ltd.	P.E.	25	1st Qtr/48
Oshawa, Ont.	Furniture Manufacturing Sklar Furniture Manufacturing Co. Reg'd	P.F.	200	1st Qtr/48
St. Pierre, Man.	Textiles Monarch Overall Manufacturing Company Ltd.	P.E.	120	2nd Qtr/48
Vancouver, B.C.	Construction Materials Canadian Forest Products Ltd.	P.E.	30	1st Qtr/48
Vernon, B.C.	Containers Vernon Box & Pine Lumber Co. Ltd.	N.P.	40	1st Qtr/48

A N A D I A N

LABOUR MARKET

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Strikes and Lockouts

in Canada, 1901 - 1947

Volume 4

Number 6

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CANADIAN LABOUR MARKET

Published by the authority of

Hon. Humphrey Mitchell
Minister of Labour

Arthur MacNamara, C.M.G., LL.D.
Deputy Minister of Labour

This is a monthly publication prepared by the Research and Statistics Branch of the Dominion Department of Labour.

The purpose of the report is to provide information on conditions in the labour market on an occupational, industrial, and geographical basis.

The material in this report is organized under three major headings: national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation.

Accordingly, the contents of the report should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

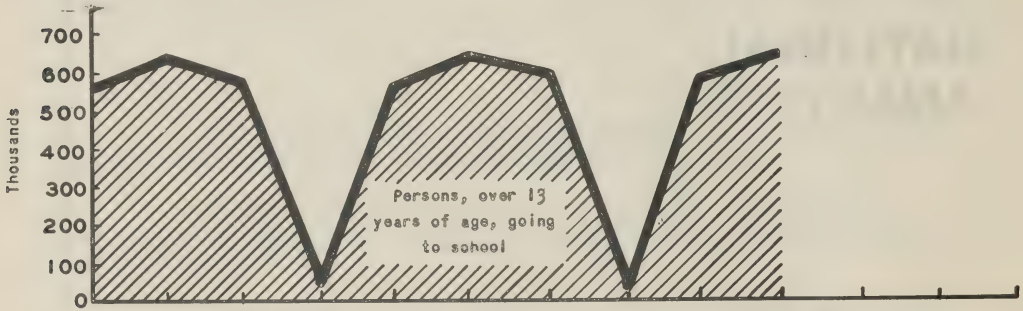
For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

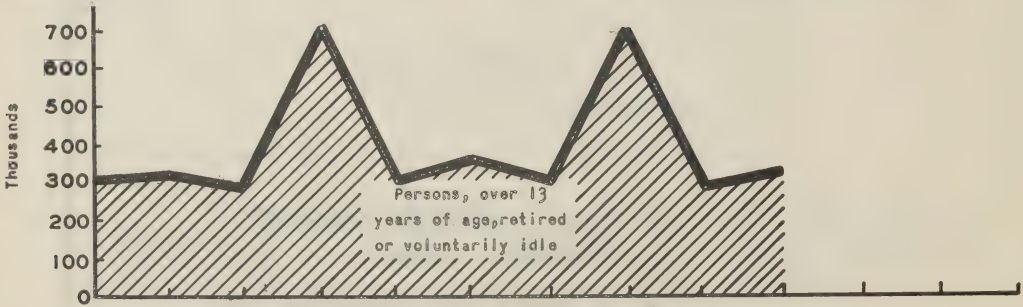
- ▲ THE LABOUR MARKET
DURING JUNE
- ▲ DIGEST OF OPINION ON
CURRENT LABOUR TOPICS
- ▲ STRIKES AND LOCKOUTS
IN CANADA, 1901 - 1947
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

STUDENTS IN THE LABOUR FORCE....

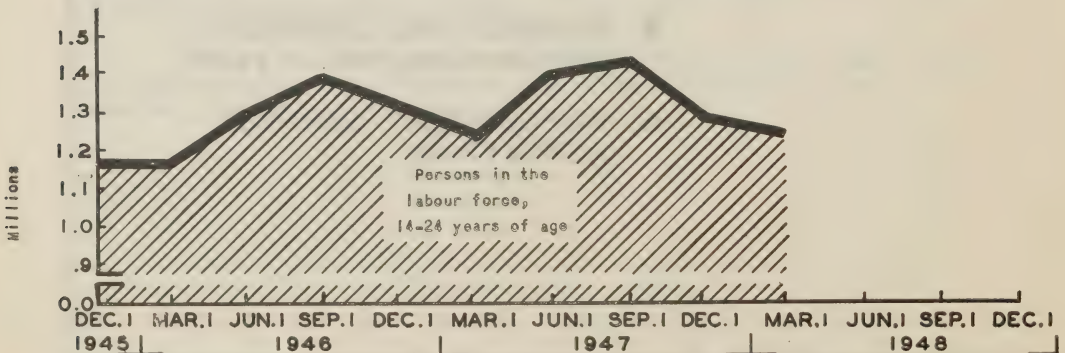
Each summer about 600,000 students, over 13 years of age, finish their school terms-----



About 400,000 of these young Canadians are on holidays during the summer months----



But about 125,000 seek both temporary and permanent jobs----



THE LABOUR MARKET DURING JUNE

Three major developments highlighted the labour market during June. First, there was the annual influx of about 125,000 students into the employment market, some in search of temporary jobs for the summer, while others were endeavouring to locate more permanent work in fields with reasonably promising futures. Second, negotiations between the major railway companies of the country and the unions representing their employees moved towards a climax by the end of the month. Third, employment conditions in British Columbia were making rapid strides to recovery from the effects of the recent severe floods.

In general, employment conditions again showed a seasonal improvement and labour shortages now are general in many districts and trades. The employment outlook for the remainder of the year continues to be promising.

Accordingly, the job situation in National Employment Service offices became an even more balanced one, although the influx of students markedly slowed the decline in the number of unplaced applicants during the month of June. Jobless applicants declined by 12,500 as compared with a drop of 40,000 during May. Last year, the same developments occurred. The ratio of applicants to jobs at the end of June remained the same as that at the end of the previous month, namely two applicants for every job on file.

This year, there will likely be about 125,000 students seeking work, compared to 130,000 in 1947 and 100,000 in 1946. It is not likely that employment conditions will prove as favourable as they were in 1947 when almost all students were able to find jobs. A number of factors account for this. In the first place, employers in mining and trading establishments are not showing as great a willingness to hire temporary help. In mining, many firms have acquired immigrants who are turning out to be very regular workers. In trade, the levelling off, and even decline in respect to some commodities, of the physical volume of sales is making employers more cautious in regard to both temporary and permanent staff additions. Another important factor is the general decline in labour turnover. This has meant that openings are not becoming available as often as was the case last year. Finally, there is the fact that the practice of closing a whole plant for a few weeks while all employees take their holidays is becoming more prevalent throughout industry. This has meant, of course, that employers do not need to hire temporary help to replace regular workers on vacation.

In the field of labour-management negotiations, the most outstanding developments still concern the workers and employees in the railway industry. By the end of June, the members of the majority of unions involved in the dispute had voted to strike if no agreement had been reached by July 15th. At the time of writing, the Minister of

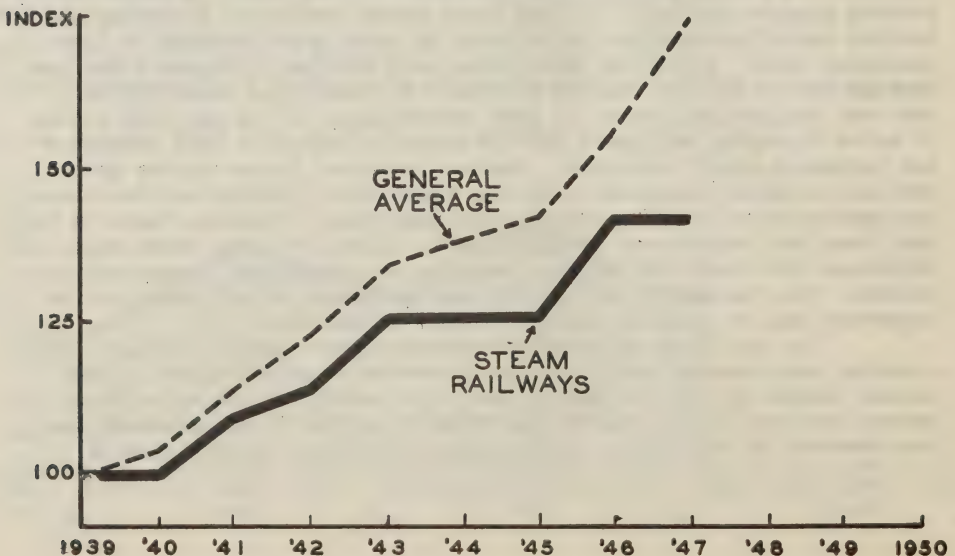
Labour was meeting with representatives of both the railways and the unions in a final effort to reach a compromise. Prior to this meeting, the railways had offered the employees a wage increase of cents an hour while the unions were asking for an increase of 28 cents an hour.

It is interesting to compare the trend of wage rates in the steam railway industry with that in other industries since 1939. The general index of wage rates, as published by the Department of Labour, showed an increase of 74 per cent from 1939 to 1947. The index of wage rates in the steam railway industry only showed an increase of 42 per cent over the same period. In October of 1947, average straight-time hourly earnings of those workers in the railway industry who are paid on an hourly basis amounted to 82 cents. If this average is adjusted upwards so that the increase in the index of wage rates in the steam railway industry is brought into line with the general increase in wage rates since 1939, it would amount to \$1.02. This would mean an average increase of 20 cents per hour over the railway employees in the industry.

Another interesting fact in connection with this dispute concerns the wage increase which has just been granted to employees of United States railways. It was recently announced that workers in the American railways would receive a wage increase of 15½ cents an hour retroactive to last November.

A final factor which has a bearing on the Canadian dispute is the fact that many workers in other Canadian industries have been gaining increases of about 10 to 15 cents an hour in the past few months. In most cases these increases are in addition to those which were received last year at this time. No general wage increase has been granted to employees in Canadian railways since 1946.

TRENDS IN WAGE RATES.....



CALENDAR OF LABOUR MARKET EVENTS

June, 1948.

- June 2 The first of this year's negotiations with the three large meatpacking firms began in Calgary with the United Packing-house Workers of America conferring with Burns & Co. officials.
- June 5 An agreement was signed by the International Nickel Co., and the International Union of Mine, Mill and Smelter Workers, providing for a substantial wage increase in both the Copper Cliff and Port Colborne plants.
- June 6 The Canadian Seamen's Union called a strike against Canada Steamship Lines, Sarnia-Colonial Steamships, Transit Tankers and Terminals, Ltd., and the Northwest Steamship Company.
- June 10 Negotiations began between the United Automobile Workers of America and the Chrysler, General Motors and Ford Motor companies.
- June 12 A new agreement was signed at the Canadian Industries Ltd. plant in Walton, N.S., and negotiations for a similar agreement are proceeding at the Shawinigan Falls plant.
- June 16 Approximately 1,500 D.P 's arrived in Halifax.
- June 18 A new agreement granting wage increases was signed by the Aluminum Co. of Canada, Arvida, Quebec. Negotiations in other plants of the same company are under way.
- June 21 Recent arrivals in Canada included 500 European and 400 British immigrants.
- June 23 Approximately 600 Displaced Persons arrived in Canada.
- June 25 Workers in Toronto and Peterborough General Electric plants voted against the company offer of a ~~4¢~~ an hour increase but reduced their demands from 30¢ to 20¢ per hour.
- June 29 Members of 18 international brotherhoods of railway workers have set July 15 as the strike deadline if mediation proceedings fail.
- June 30 The Federal Conciliation Board reconvened in an attempt to stop the rail strike.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	June 1948	May 1948	Apr. 1948	Mar. 1948	May 1946	May 1945	May 1943	May 1939
Population: -								
Births (a).....000's	-	14.9	14.5	14.5	13.8	11.6	12.0	7.5
Deaths (a).....000's	-	5.4	5.5	5.7	5.1	4.8	5.1	4.7
Immigration.....000's	-	9.5	9.4	10.6	7.6	3.4	0.8	2.3
Civilian Labour Force: -								
Number.....000's	-	-	-	4,825	-	-	-	-
Employment: -								
Number.....000's	-	-	-	4,669	-	-	-	-
Index (b).....Av. 1926=100	-	184.5	185.2	187.5	168.0	173.2	175.5	106.2
Female (b).....%	-	22.5	22.5	22.2	23.6	-	-	-
Unemployment: -								
Number.....000's	-	-	-	156	-	-	-	-
Unplaced applicants (c)....000's	131	165	194	201	243	76	75	-
Live claims.....000's	71	105	136	146	124	19	4	-
Earnings and Hours: -								
Labour income.....\$000,000's	-	-	540	533	405	-	-	-
Per capita wkly.earnings (d)...\$	-	38.53	38.23	38.02	29.63	32.08	-	-
Average hrly.earnings (d).....¢	-	89.4	88.9	88.0	68.9	70.5	-	-
Average real weekly earnings (e) Av. 1946=100	-	102.8	103.1	103.1	99.3	110.3	-	-
Average hours per week (d).....	-	43.1	43.0	43.2	43.0	45.5	-	-
Cost of Living: -								
Index.....Av. 1935-39=100	154.3	153.3	151.6	150.8	122.0	119.0	118.1	100.6
Strikes and Lockouts: -								
Workers involved.....000's	4	3	4	4	48	3	15	4
Man-working days lost.....000's	35	40	49	57	566	7	47	17
Industrial Production: -								
Index.....Av. 1935-39=100	-	181.6	184.1	182.0	161.5	186.3	198.1	106.6

- (a) In cities, towns, and villages of 10,000 or more persons.
- (b) Based on firms of 15 or more workers, in the nine leading industries.
- (c) Registered with National Employment Service Offices.
- (d) Wage earners in manufacturing only. April data adjusted for holidays.
- (e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

DIGEST OF OPINION ON ON CURRENT LABOUR TOPICS

This is a brief digest of the opinions currently being expressed by business and labour leaders on policies which are of interest to both management and labour. The opinions set forth are chosen for their representative value, and it should be clearly understood that the listing of any opinion in this section does not mean the Research and Statistics Branch is in agreement with it.

WAGES AND PRICES

BUSINESS OPINION:

C.E. Gravel, chairman, Quebec division, Canadian Merchants' Association:

"Labour, like management, must realize that inflation concerns everybody, and the remedy lies neither in unreasonable profits, nor in continuous wage increases."

W.S. Lee, chairman, Maritime division, Canadian Merchants' Association:

"If there are further marked increases in wages in the coming months, prices must inevitably go up with them. I am not suggesting that the entire onus for this lies with labour. Every one of us must make it our business to resist tendencies towards inflation."

Joint Statement by C.N.R. and C.P.R. officials: "Any increases of wages in excess of the seven cents recommended by the conciliation board cannot be justified in any industry that is controlled in the rates it may charge to the public."

LABOUR OPINION:

Frank Hall, chairman of the negotiating committee of the international railway unions: "If the railways are not getting enough to pay their men a reasonable wage, then they should be afforded that relief by the government agency."

George Burt, director of U.A.W.-C.I.O.: "The U.A.W. will strike rather than agree to year-long wage freezes. The union is prepared to fight to the finish to keep workers' wages in line with rising prices."

LABOUR LEGISLATION

BUSINESS OPINION:

T.E. Boyce, chairman, Ontario division, Canadian Merchants' Association:

"It remains to be seen to what extent the new Federal Labour Code will help to bring about the harmonious relationship between employers and employees which is so necessary if increased productivity is to be maintained."

LABOUR OPINION:

Petition to Dominion Government by the Trades and Labour Congress and the Canadian Congress of Labour:

"If the labour legislation in Prince Edward Island is allowed to stand, other provinces may pass similar acts that would destroy national or international unions, plunge the country into turmoil and make a mockery of Canada's international labour commitments."

Marcel Francq, Quebec Provincial Federation of Labour: "Today the trade unions are being confronted with labour laws which take us back one hundred years or more. I refer to some of the laws recently enacted in Prince Edward Island and Alberta, and legislation pending in the Province of Quebec which makes our existing Labour Relations Act look like Utopian legislation."

IMMIGRATION

BUSINESS OPINION:

J.A. Gairdner, president, Investment Dealers' Association of Canada:

"This country could absorb many thousands per year of carefully selected immigrants. The immigrants are ready and waiting. All that remains to be done is for our government to adopt a sane and aggressive policy of selection and encouragement."

STRIKES AND LOCKOUTS IN CANADA, 1901-1947

For the purpose of analysis of statistics on strikes and lockouts, the period between 1901 and 1947 is divided into four main divisions. A high degree of correlation is indicated between the number of strikes commenced and the index of wholesale prices during periods of rising prices. Also related to the number of strikes is the extent and type of union organization in the various industries. Most of the hard-fought strikes occurred during periods of rising wholesale prices and of expanding union membership.

Statistics of strikes and lockouts are among the most reliable of the available indices of industrial unrest in Canada. The exact meaning of other indicators such as turnover are less apparent and investigators are therefore less prone to use them. On the other hand, strikes, as such, are easily identifiable, and a count of them provides a more practical index of discontent.

Accordingly, the Department of Labour has maintained records of strikes and lockouts in Canada since 1901. The total number of strikes taking place in each year is recorded, along with data concerning the number of workers involved and the time lost in each dispute.

The following article presents an analysis of the trends evident in the statistics. It should be kept in mind, however, that strike statistics measure an extreme industrial condition. As such, they fail to give any description of a large area of industrial unrest, since most disputes between management and labour never reach the stage of open conflict.

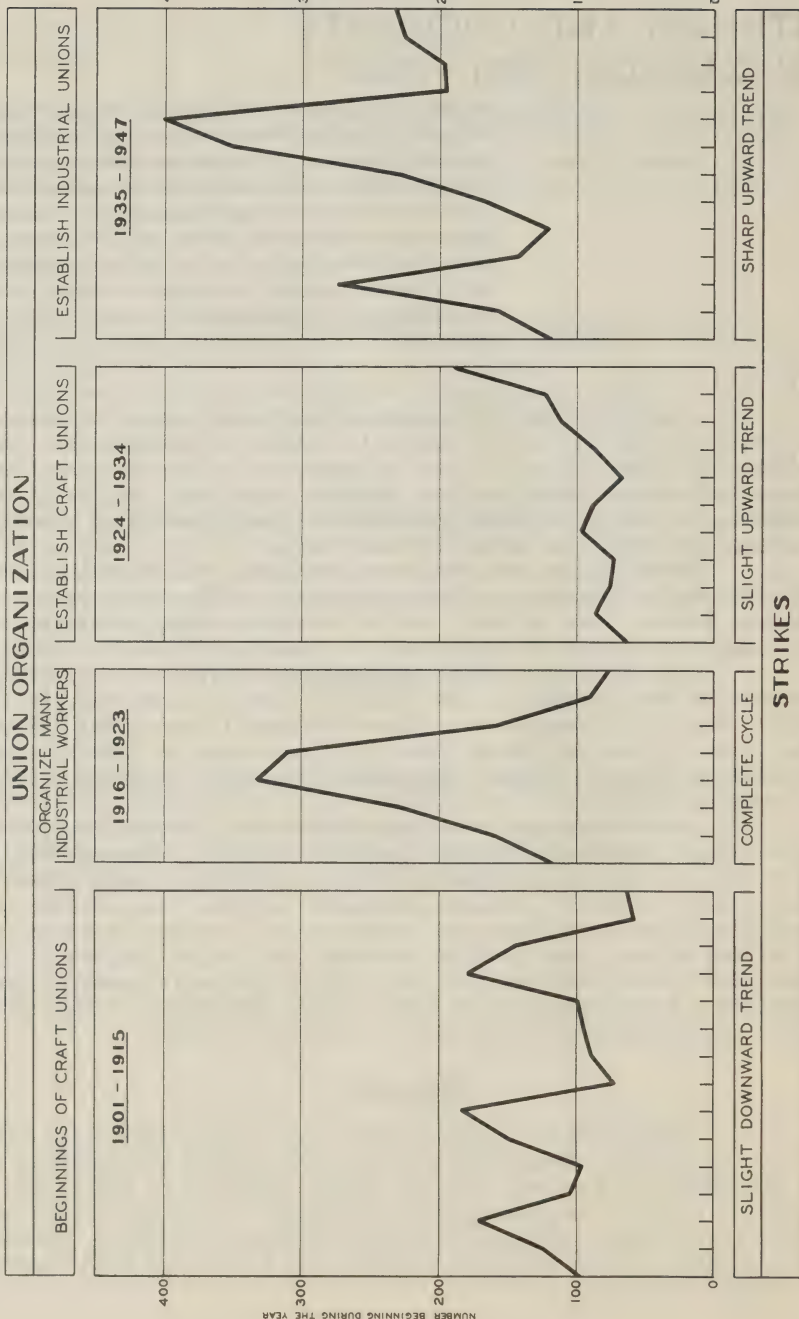
In the majority of cases, the workers' decision to strike will be based on assessment of their tactical position. Consequently, joint protests by employees against working conditions are most likely to take place when the workers foresee successful action. As a result, strikes can be expected to increase in frequency and in severity during periods of rising prices, when profits increase, and during periods of high employment, when there is less possibility for replacement of the workers involved. Similarly, workers will be more aggressive if they judge that their fellow workers will follow with similar action.

Frequency

The number of strikes commencing in each year since 1901 is shown in Chart I. The series shows no evidence of a consistent trend in the number of strikes; in other words, there is no indication of a constant increase or decrease in the number of strikes in this country. There is, however, evidence of a cycle in their frequency. Consequently, for purposes of this analysis the material is divided into four periods, as shown in Chart I.

CHART. I

FREQUENCY OF STRIKES IN CANADA, 1901-1947



Before dealing with the individual periods, however, it may be well to place Canadian strike activity in perspective by comparing it with strike activity in other countries. Such studies demonstrate that strikes in Canada are relatively small and infrequent in comparison with those in other countries. In the United States, for example, strikes tend to be more frequent and to involve a relatively larger number of workers than in this country. In Great Britain, although strikes are larger in terms of workers involved, they are less frequent than in Canada. Canadian experience, however, tallies with that of other countries in that approximately the same proportion of the industrial working force has been involved in such disputes since 1900. Investigators have therefore concluded that there is a relationship between the degree of industrialization in a country and the number of strikes which take place within its borders.

In dealing with the record of Canadian strikes, it will be recognized that, while they indicate less frequent disputes, their importance in the industrial structure of the country is as great as in other countries.

Table I indicates some of the most clearly evident patterns of the strike statistics in Canada. For example, a high degree of correlation is indicated between the number of strikes commenced and the index of wholesale prices during periods of rising prices. This relationship does not appear to hold, however, for periods of falling prices. Such a discrepancy is a logical reflection of what has already been said with respect to the worker's decision to strike. In the eyes of the working man, improvements in working conditions are feasible in a period of rising prices and the number of strikes will be high. Further, during periods of price recession, highly organized workers will try to maintain working conditions and frequently tend to resort to strike action. Conversely, during periods of recession unskilled workers in the manufacturing industries disband their organizations and ignore joint action. Thus, while the number of strikes in manufacturing industries decrease appreciably during depressions, the highly organized unions carry on with their strikes. During the early 'Twenties, when strikes were fewer in number, the coal mining industry experienced frequent strikes, while, in the 'Thirties, the garment workers and those in the building trades were active in this regard.

Accordingly, a study of the strikes in each individual year shows that the decrease in the number of strikes in periods of falling prices is paralleled by a drop in the membership of organizations of unskilled workers. It is the highly skilled craft unions which have retained the loyalty of their membership and have opposed managerial policies during periods of recession. When conditions improve, labourers generally become more optimistic concerning union activities, membership increases, and unions enter new industries. At the same time, they take more strike action to make their demands effectively known to management.

To return to the trends evident in the statistics, the downward trend from 1901 to 1915 took place in the face of a rise in wholesale prices. This unique characteristic was in direct contrast to the pattern of activity in other periods, but it must

TABLE I

STRIKES, PRICE CHANGES AND UNION MEMBERSHIP IN CANADA 1901 - 1947

	<u>FREQUENCY OF STRIKES</u>		<u>PERCENTAGE CHANGE DURING PERIOD</u>	
	<u>PERIOD OF RISE</u>	<u>PERIOD OF FALL</u>	<u>WHOLE- SALE PRICES</u>	<u>UNION MEMBERSHIP</u>
PERIOD I	1901-03		+ 2.8	-
		1903-04	+ .1	-
	1905-07		+ 9.6	-
		1907-08	- 5.5	-
	1909-13		+ 9.4	-
		1913-15	+ 9.9	- 18.5
PERIOD II	1915-19		+90.4	+163.7
		1919-23	-26.9	- 26.4
PERIOD III	1924-25		+ 3.3	+ 4.0
		1925-27	- 4.8	+ 7.1
	1927-28		- 1.3	+ 3.6
		1928-30	-10.2	+ 7.3
	1930-34		-17.4	- 12.8
PERIOD IV		1934-35	+ .7	- .2
	1935-37		+17.3	+ 36.6
		1937-39	-10.0	- 6.4
	1939-43		+54.2	+ 85.1
		1943-44	+10.5	+ 9.0
	1945-46		+18.8	+ 17.0

be kept in mind that in this early period neither industry nor labour were highly organized. Consequently, there is very little basis for comparison with the later three periods. It is noteworthy, however, that the strike statistics indicate small and often ineffective action. This was probably a reflection of the limited union organization at the time.

Following 1915, union membership expanded to an unprecedented degree. This expansion carried unions into new industries as well as consolidating their position in those in which unions already existed. The increase in membership, together with wartime labour shortages, favoured action, and consequently, unions strove to obtain demands in a number of the manufacturing industries. If the details of strikes in this period are examined, it will be noted that the increase in their number was centered in the newly organized manufacturing industries. The subsequent reduction was paralleled by a rapid decrease in effective union organization within these same industries.

Similarly, an increase in strikes in World War II accompanied the extension of unionism into manufacturing industries, but this expansion differed in character from that which took place in World War I. The early organization took place under the leadership of the craft unions whose interests were not essentially in keeping with those of the unskilled workers. In World War II, union organization was characterized by the setting up of autonomous unions in various industries and these latter industrial unions have proved themselves more aggressive in their activities than the craft unions.

During the 'Twenties, strikes appear to have been concentrated among the crafts within highly competitive industries. The building and construction trades along with the clothing and mining industries were responsible for the important strikes in this period. These more firmly entrenched craft unions were striving to maintain the position they had gained during the war. The decrease in the number of strikes, then, came among the semi-skilled and unskilled workers of manufacturing industries.

In the 'Thirties, the same trend can be noted. The established unions in the competitive industries fought to maintain their position. In addition, however, there were strikes during these years by new labour bodies attempting to secure recognition. The revolutionary union movements were active as well as federal and directly-chartered unions of the established congresses. There was a shift in activity, therefore, in the sense that mass production workers were beginning to take an active participation in unionism.

Once again the increases in the number of strikes paralleled an increase in wholesale prices, as is shown in Table I.

To sum up, the structures of labour organization and changes in wholesale prices appear to bear a close relationship to the number of strikes in Canada. Both of these factors influence the tactical position of the workers and in turn his decision to strike.

NUMBER OF WORKERS INVOLVED

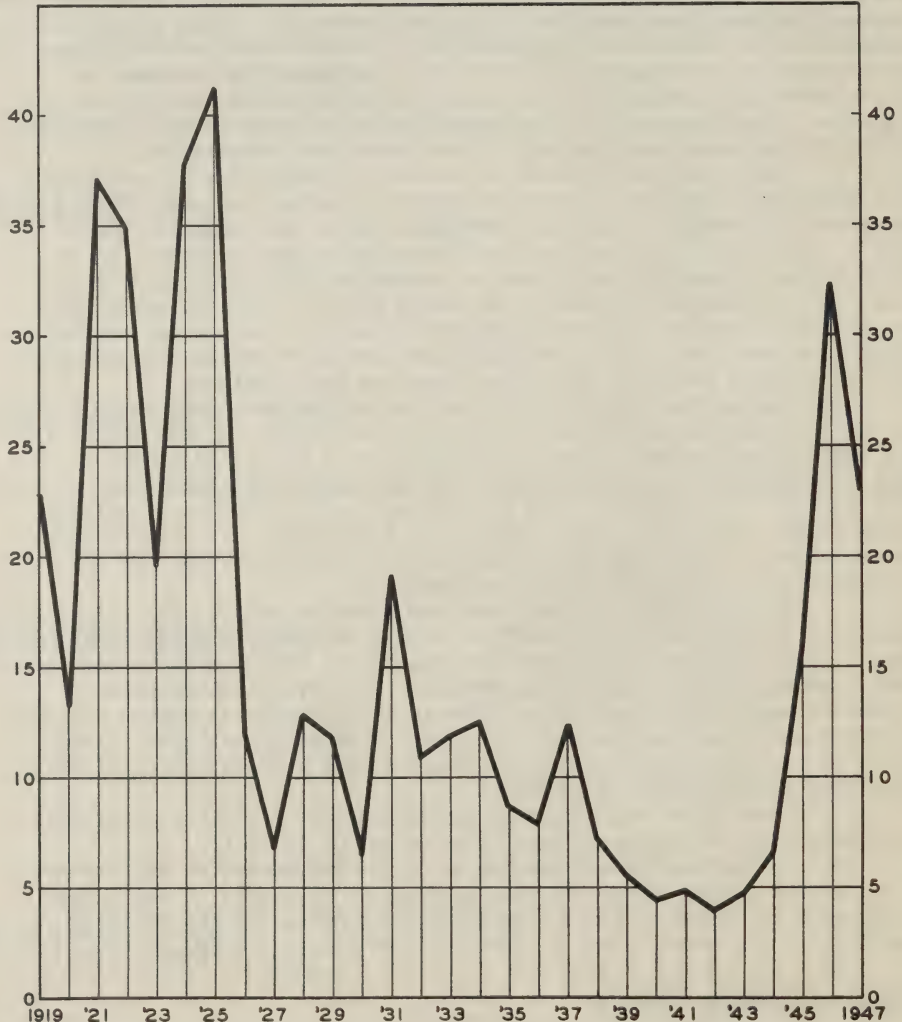
The material on the number of strikes beginning each year tends to distort the problem. Figures compiled by the Department of

TIME LOSS PER WORKER INVOLVED IN STRIKES IN CANADA

1919 - 1947

MAN - WORKING DAYS

MAN - WORKING DAYS



Labour relate to any strike which results in a loss of ten man-working days or more. As a result, the number of strikes is increased by the inclusion of many small and inconsequential disputes. On the other hand, the number of man-working days lost gives more information as to the significance of the strikes to the working force and to the industry (see Chart 2).

It will be seen from Chart 2 that the number of man-working days lost decreased greatly in the third period. However, the relative change in the average loss per worker involved was not so great in the 'Thirties as in the previous decade, primarily because of a change in the workers' attitude. During the 'Thirties, they feared replacement by members of the unemployed and hesitated to take strike action. Consequently, the latter period was marked by a greater number of shorter strikes than had been the case earlier. In fact, the only increase in duration of strikes took place in 1937 as a result of the current popularity of sit-down strikes which prohibited replacement of the striker in the plant. It is to be noted that the workers' attitude in the 'Twenties was one of desiring established craft unions; in the 'Thirties, their attitude favoured a broadening of the basis of unionism.

It should also be recognized, to return to the original theme, that the hard fought strikes occurred during periods of rising wholesale prices and of expanding union membership.

SEASONALITY

It is to be expected that there will be a seasonal trend in the number of strikes begun during the year. There are two seasonal peaks, the first in May and the second in July. This can be traced to union policy. Unions generally present their demands on industry early in the spring. If these are met with an immediate refusal, strike action will follow. The second peak would be the result of unsuccessful negotiations over a period of months.

The low in the seasonal index appears in December. Trade unions generally attempt to avoid strike action during the winter months.

SETTLEMENT

There has been a change in the type of settlement following strikes in Canada since the beginning of the century. The broad division of those in favour of the employees or the employer can be seen to parallel, in a sense, the strength of labour organization. During the World War I, employees were successful in gaining many of their demands. Following the war, employers were more successful and their success extended throughout to the period of World War II.

It is also shown in the statistics on demands made that, with the exception of the two wartime periods, wages have not been the dominating objectives. Rather, questions of security and of representation have played an equally important role in the demands of the workers.

Through the period of employer predominance, however, employees were successful in certain directions. During the 'Twenties, the craft unions gained acceptance of their principles in many areas. During the 'Thirties, with the growth of industrial unionism in Canada, there was a change in the objective sought. The most significant objective became "recognition". A few of the strikes on this issue were successful but the majority failed. Satisfaction of many of the demands by the union for security in plants came only with the introduction of wartime legal sanctions.

The statistics also show that, as the unions obtained security, they attempted to gain a greater voice in labour management relations, and their objectives became concentrated on other phases of union responsibility. This change is at variance with the experience following World War I. At that time the workers strove to maintain the position of the craft unions. Recent trends, however, have been towards consolidation of industrial unions in day to day relationships with management.

The method by which these settlements have been reached has varied over the years. In general, it can be said that, where successful union action was evident, the subsequent disputes have been referred to conciliation or arbitration. During the periods when unions were generally at a disadvantage, settlement was usually negotiated between management and labour.

This tendency does, to an extent, undermine the accuracy of strike statistics for, when conciliation offices are available to labourers, they are less inclined to carry their grievances to the extent of strike action. Thus throughout the period of World War II, many disputes, which in earlier periods would have led to strike action, were settled on this level.

It has been pointed out that the trends in strike statistics have shown a parallel with other economic trends. It has also been pointed out that these statistics designate an extreme condition and that their validity as an indicator of industrial unrest decreases as effective settlement of industrial disputes increase. But, since these statistics indicate the relationship between conditions in the economic and in the labour movement, they give an indication of the basis for strike action.

EMPLOYMENT SERVICE ACTIVITIES

During June, the functioning of the labour market was smooth and unemployment was at a minimum, despite the fact that large numbers of immigrants and first-jobbers entered the labour market. This in a large part can be attributed to the work of the Employment Service. National Employment Service was actively searching for suitable jobs for high school students at least three months before the June graduation date. Immigration schemes are being carried on in close co-operation with the Employment Service and jobs and workers are brought together with a minimum of delay.

The flow of workers seeking jobs at employment offices has been relatively constant over the past few months and averages around 30,000 per week. Improved employment conditions have increased the placement rate and the number of applicants remaining on file continues to drop. At June 24, the latest available date, unplaced applicants totalled 119,000. This total approximates the number reported at this time last year.

Placements have exceeded the 1947 level for the first time in 1948. Absorption of immigrants, particularly Displaced Persons, accounts mainly for the increase. Placements during May, averaging 16,400 per week, were exceeded only once during 1947, in the peak placement month of October. Placements rose markedly in agriculture, services and construction, the industries most directly affected by immigration. Usual advances for this time of year were recorded over the month in all major industry groups largely because of seasonal influences and holiday replacement needs.

In general, employers' orders are being met. Industrial hirings are slack during the summer months because of the annual holiday shut-downs which, according to reports, are expected to be more widespread this season than previously. The mining industry as a whole is quiet. Seasonal trade and service requirements are being filled by student workers. Construction demand is mounting although requirements to date have been generally balanced by a fair supply.

There is, however, one outstanding exception to the general state of equilibrium, namely, the agricultural industry in Ontario. Exceptionally good crop conditions in this province have boosted labour demand abnormally and the shortage of help is serious. Heavy immigration has aided the situation slightly although demand far exceeds the rate of arrival. Demand for western workers for haying rose to 2,500, more than double the number transferred last year. Response has been poor and, at the beginning of July, only 150 men had been moved. To prevent spoilage of crops, the method of recruiting volunteers from the cities used during the labour-short war years may again be required.

Elsewhere, agricultural demand has been fairly well met. Movement of workers between areas has been of great assistance in meeting requirements. The transfer of girls from the Prairies to British Columbia for berry picking, although delayed and somewhat reduced by the flood conditions, is now under way. The number required stood at 500 at the beginning of July and movements have been in progress since the latter part of June. Approximately 100 girls were also dispatched to the Okanagan valley for work on the apple crop.

Labour demand in the Prairies had slackened off following the completion of seeding and combines are being released for work in the United States as orders come through. However, only 25 combines had been requested by the beginning of July and, because of conditions south of the border, it is not expected that many additional requests will be forthcoming. A movement of Nova Scotia workers to Prince Edward Island is under way to aid in general farm work.

Approximately 150,000 first jobbers enter the labour market each year at this time. The Toronto Youth Employment Centre gives some indication of the situation facing youths presently entering the labour market. At June 24, there were 20 jobs for every applicant registered. This date was, of course, probably before the heaviest influx of job seekers. Over 75 per cent of demand was in the clerical occupations. Unskilled requirements were dropping off and job-seekers in this group exceeded demand. In general, demand was basically strong although the situation was deteriorating for the poorly qualified.

Much of the ease with which immigrants are being absorbed into employment can be attributed to the efforts of the National Employment Service. Each month approximately 4,500 men and 3,500 women (the majority of these are housewives and will not be in the labour market) are entering Canada. Immigrants under the British immigration scheme, which comprise the majority of persons entering, are using the Employment Service extensively. Among the Displaced Persons, domestics, farm workers and construction help are being almost entirely channelled through the Employment Service. In the case of domestics, the Service is providing special follow-up work to assure the success of placements.

Table 1—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 7550B; Form UIC 745)

Series	Average Weekly		
	May 1948	April 1948	May 1947
Applications for work ^x	30,000	30,000	29,000
Vacancies notified.....	29,000	25,000	35,000
Placements.....	16,400	14,200	16,200
Women.....	4,300	4,300	4,200
Veterans.....	3,800	3,000	4,400
Handicapped.....	305	250	330
Executive and professional	75	65	70

^x Does not include renewals.

INDUSTRIAL ANALYSIS

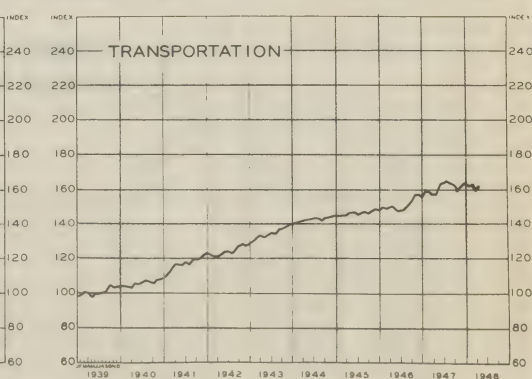
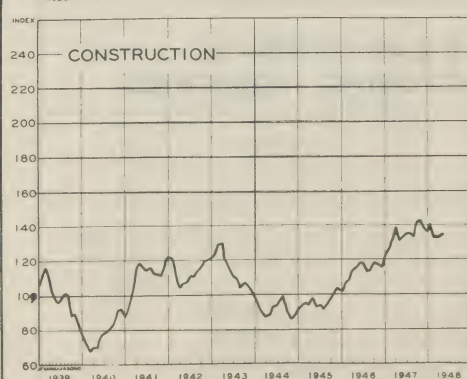
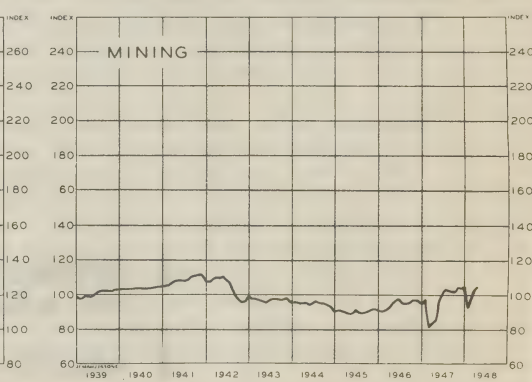
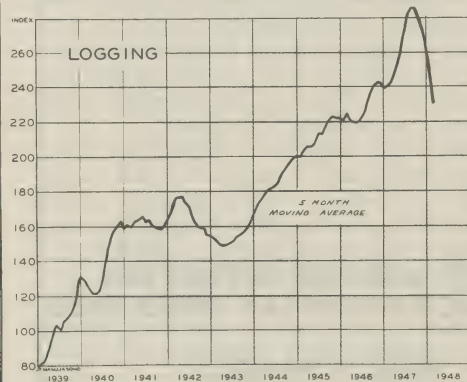
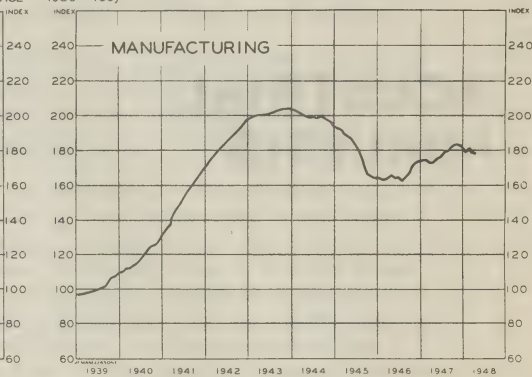
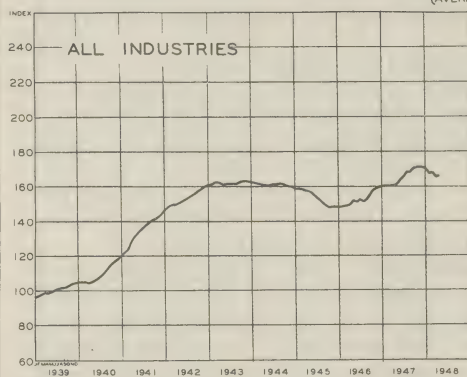
- ▲ CURRENT LABOUR SITUATION
IN MAJOR CANADIAN INDUSTRIES
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE - 1939 = 100)



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

Employment in Canadian industries registered further seasonal gains during June. Agriculture and construction showed the greatest increases; transportation, communications and services absorbed a moderate number of workers; manufacturing and the primary industries were relatively stable.

MANUFACTURING.....

Estimated employment (July 1).....1,275,000

Manufacturing employment at July 1 was approximately 3 per cent above that for the same date in 1947, thus indicating a continuation of the upward cyclical trend which has been in progress since 1946.

Although demand for labour was slight during June, most manufacturing plants were operating at or near capacity and the lack of job opportunities can be attributed principally to the current low rate of labour turnover, with the approaching vacation shutdowns as a secondary factor. Skilled workers are, of course, still being placed without difficulty; however, the supply of general labour has caught up to demand.

Food canning plants entered the initial stages of seasonal activity as the first berry and vegetable crops became ready for processing. Agricultural forecasts anticipate satisfactory crop yields for this year and employment in this group should show substantial increases over the next two or three months. Pulp and paper mills added seasonal workers as the spring drive brought increasing quantities of pulp wood to the mills. The rubber, leather and radio manufacturing industries showed moderate declines as production showed signs of exceeding demand. A few layoffs were reported in secondary textiles because of material shortages.

Labour relations, on the whole, were quite stable during the month with only a few relatively minor strikes occurring.

AGRICULTURE.....

Estimated employment (July 1).....1,250,000

Requests for farm help became more numerous during June, particularly in Ontario where early fruits and vegetables were ready for harvest and the first hay was ready for cutting. The labour shortage which prevailed throughout practically all of Ontario at the month end was not nearly as acute as last year, some easing of the situation having occurred earlier by the settlement of Dutch immigrants and the arrival of a small number of workers from the Prairie provinces. Apart from Ontario, all other regions reported sufficient help available for present needs, although some two or three hundred female workers were moved from the Prairies to British Columbia to

assist in harvesting the berry crop.

The closing of schools throughout Canada has released a great many teen-aged persons for seasonal work in agriculture. The higher employment figure estimated for July 1 reflects the addition of all those whose homes are on farms and who are included in the agricultural labour force as unpaid family workers during the summer months. Further increments will occur later in the summer when a number of high school students will move from the cities to rural areas to assist with the harvesting of various crops.

CONSTRUCTION.....

Estimated employment (July 1).....275,000

The July 1 estimate of employment in the construction industry is some 5 per cent above the July 1, 1947 figure. Because of the high level of building activity at present, the demand for workers continues strong. Although a general scarcity of labour, especially in the skilled categories, prevails throughout the industry, the shortage of help is not as severe as in previous years and the acute shortages which do exist are confined to specific areas. This more favourable labour supply situation may be attributed both to the reduction in labour turnover and to the increased number of workers who are available for employment in the construction industry.

Work stoppages because of material shortages are fewer than in previous years since there is a more adequate supply of building materials. As a result, a greater volume of construction is now being carried out by a labour force which is only slightly greater than last year.

The value of contracts awarded in the larger cities during June was substantially higher than in June 1947, which places the total for the first half of 1948 about 40 per cent above that for the same period last year. When allowance is made for price increases, the physical volume appears in a very favourable light. Consequently the current heavy demand for labour is expected to continue and some shortages must inevitably be encountered. The outlook is for a continued improvement in the labour supply-demand situation.

LOGGING.....

Estimated employment (July 1).....75,000

Pulpwood logging operations in eastern Canada kept approximately 20,000 workers employed throughout June. Since cutting operations were practically at a standstill, the majority of these workers were engaged in river driving operations, with the balance being utilized for camp improvements and repairs. Most of the companies now find themselves in a satisfactory pulpwood inventory position for the first time in several years, and the current situation points toward a return to pre-war seasonal employment patterns. It is expected that labour will be available in sufficient quantities next fall to permit a heavy concentration of work into a short

cutting season, from October to January. Reports from the paper companies indicate there is little likelihood of exceeding last year's record cut of wood and, in fact, some reductions may be in evidence because of the danger of inventory losses.

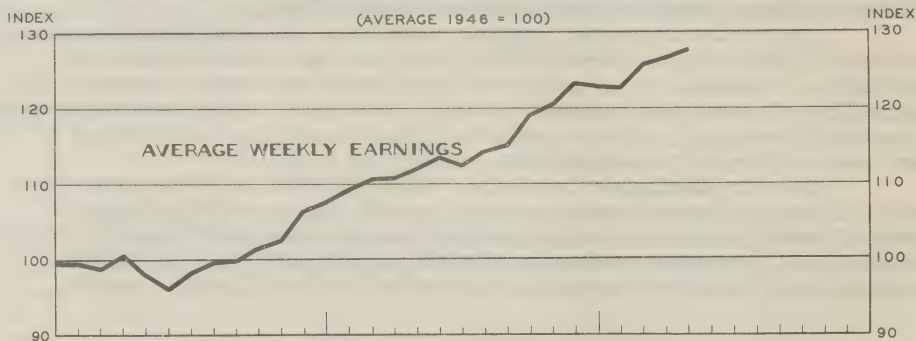
Sawmill logging in eastern Canada has been proceeding at a somewhat reduced rate following the loss of United Kingdom markets last year, and the level of employment is slightly lower than in 1947.

In British Columbia, logging operations were curtailed because of the severe floods which occurred during June and employment dropped off accordingly. However, by the month end conditions were more favourable and practically all camps had resumed cutting. By July 1, employment had regained its previous level and, with an adequate labour supply, a continuation of the upward seasonal trend is anticipated.

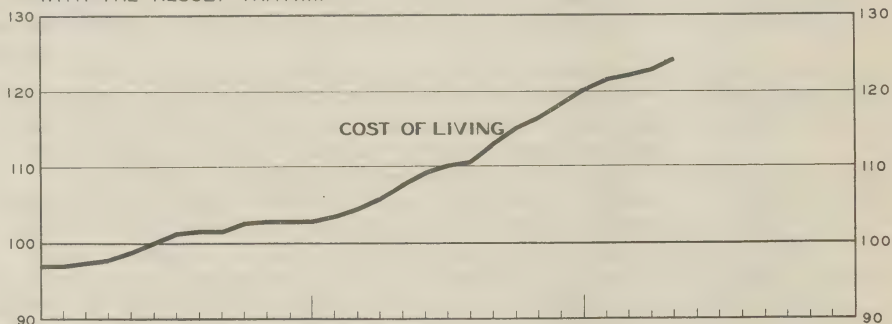
Thus the declining trend line which is shown on the accompanying chart is accounted for by three factors: a shifting seasonal pattern in eastern pulpwood logging; a small absolute decline in eastern sawmill logging employment; and, adverse weather conditions encountered by the British Columbia logging industry throughout the spring and early summer months.

REAL WEEKLY EARNINGS.....

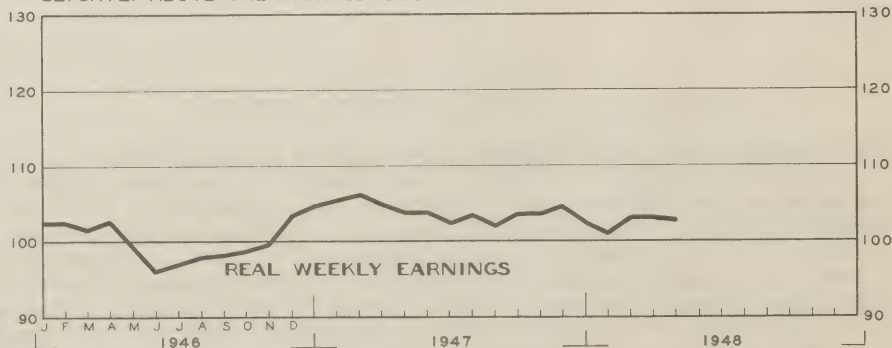
ALTHOUGH AVERAGE WEEKLY EARNINGS OF WAGE EARNERS IN MANUFACTURING INDUSTRIES ARE RUNNING ABOUT 24 PER CENT ABOVE THE AVERAGE 1946 LEVEL.....



THE COST OF LIVING HAS RISEN ALMOST AS SHARPLY, WITH THE RESULT THAT.....



REAL WEEKLY EARNINGS ARE ONLY SLIGHTLY ABOVE THE AVERAGE 1946 LEVEL.....



RECENT WAGE CHANGES

The wage announcements which appear in the following table were made during the latter part of May and the month of June.⁽¹⁾ Gains recorded for this period covered 38,000 persons; 57 per cent of whom received increases of 10 cents or more per hour. This shows a decline from the previous month; the corresponding figures as published for May were 90,600 persons and 84 per cent.

In the month of June, there were fewer industry-wide wage increases such as those in the pulp and paper, iron and steel fabrication, transportation and construction industries, which accounted for the large number of workers receiving gains in the previous month. There was again, however, a concentration of wage increases in certain industrial groups. Forty-four per cent of the workers receiving increased rates of pay were employed in the preparation of non-ferrous metallic ores; the International Nickel Co. of Canada and the Aluminum Co. of Canada were the largest companies involved.

Strike action played a small part in successful wage demands; only three groups involving 425 persons went on strike for wage increases.

To some extent, the effect of open end and escalator wage clauses was beginning to be felt. Some 250 workers at the Canadian Locomotive Co., Ltd., negotiated a 5 cent hourly increase through an open end wage clause, while at the General Steel Wares, Ltd., a cost-of-living clause in their agreement netted 520 workers an increase of 2 cents per hour, the second gain since the first of the year in the latter firm.

During June, a minimum wage agreement between 1,500 drivers and 22 trucking companies in Montreal, signed in April, was extended under the Quebec Collective Agreements Act to some 3,500 workers in the district.

Many wage negotiations of great importance are still under way. The British Columbia logging agreement expired June 20; workers are holding out for 35 cents per hour increase in the face of Company offers of 10 cents per hour. Northern Ontario gold miners are striving for an agreement similar to that signed in June by the International Nickel Co. of Canada. Wage talks are continuing in the three major meat packing companies, in automobile manufacturing firms and in a large electrical concern in Toronto and Peterborough. As yet, no settlement has been reached between the unions and the railways although a strike date has been set for July 15.

(1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices, and Employment Forecast Survey reports. The average hourly earnings quoted in the following tables are as at April 1, 1948, as published by the Dominion Bureau of Statistics.

WAGE INCREASE ANNOUNCEMENTS June, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hr. earnings 110.7¢)			
<u>Metallic Ores:</u> (Av. hr. earnings 108.3¢)			
Noranda Mines Ltd., Noranda, P.Q. 8-hr. workers	10%	June 20/48	1,500
9-hr. "	9%		
<u>MANUFACTURING</u> (Av. hr. earnings 88.9¢)			
<u>Animal Products, Edible:</u> (Av. hr. earnings 87.2¢)			
Dr. Ballard Animal Food Prod. Ltd., Vancouver, B.C.	15¢ per hour	May 28/48	40
<u>Flour & Other Milled Prod:</u> (Av. hr. earnings 85.3¢)			
Purity Flour Mills Ltd., Winnipeg, Man.	6¢ per hour	June 10/48	200
<u>Pulp and Paper:</u> (Av. hr. earnings 100.7¢)			
Canada Paper Co., Windsor Mills, P.Q.	10%	May 31/48	860
<u>Rubber Products:</u> (Av. hr. earnings 96.0¢)			
Kaufman Rubber Co., Kitchener, Ont.	10¢ per hour	May 28/48	600
Dominion Rubber Co. (Tire Plant) Kitchener, Ont.	10¢ " "	Apr. 12/48	1,300
Gutta Percha & Rubber Ltd. Office workers Toronto, Ont.	\$2-\$10 per week	June 1/48	200
<u>Garment & Personal Furnishing:</u> (Av. hr. earnings 70.4¢)			
Employees in 60 Ontario clothing establishments covered by Associated Clothing Mfgers, Inc.	10%	June 1/48	2,200
<u>Chemicals & Allied Prod:</u> (Av. hr. earnings 89.8¢)			
G. F. Stephens Paint Co., Winnipeg, Man.	6¢ per hour	June 10/48	35
<u>Glass Products:</u> (Av. hr. earnings 83.3¢)			
American Optical Co., Belleville, Ont.	12¢ per hour	Oct. 26/47	160
Bennett Glass Co. Ltd., Windsor, Ont.	7-10¢ per hour	June 23/48	20
Hobbs Glass Ltd., " "	" " " "	" "	20
<u>Electrical Apparatus:</u> (Av. hr. earnings 95.9¢)			
Ferranti Electric Ltd., Toronto, Ont.	10¢ per hour	May 18/48	400
Leland Electric Co., Guelph, Ont.	5¢ " "	Jan. 2/48	300
	4¢ " "	May 1/48)
<u>Railway Rolling Stock:</u> (Av. hr. earnings 96.5¢)			
Canadian Locomotive Co. Ltd., Kingston, Ont.	5¢ per hour	Apr. 4/48	250
<u>Automobiles & Parts:</u> (Av. hr. earnings 112.7¢)			
Duval Motors, Montreal, P.Q.	25-30%	June 19/48	50

WAGE INCREASE ANNOUNCEMENTS June, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Cont'd)			
<u>Aeroplanes & Parts:</u> (Av.hr.earnings 96.0¢) Canadair Ltd., Montreal, P.Q.	5¢ per hour	Apr. 2/48	2,890
<u>Iron & Steel Fabrication:</u> (Av.hr.earnings 96.2¢) Ives Bedding Co. Ltd., Cornwall, Ont. Labour - Tradesmen -	13¢ per hour 10-13¢ per hour	June 1/48 "	50 "
<u>Hardware, Tools & Cutler:</u> (Av.hr.earnings 89.1¢) Port Hope Sanitary Mfg.Co., Port Hope, Ont. Yale & Towne Mfg. Co., St. Catharines, Ont. Day workers & moulders - Piece workers -	8½-17½¢ per hour 10¢ per hour 12¢ " "	June 8/48 Mar. 26/48 "	400 270 "
<u>Foundry & Machine Shop Prod:</u> (Av.hr.earnings 97.4¢) Ingersoll Machine & Tool Co. Ltd., Ingersoll, Ont.	7¢ per hour 3¢ " "	Apr. 21/48 June 23/48	275)
<u>Sheet Metal Work:</u> (Av.hr.earnings 91.0¢) Continental Can Co., New Toronto, Ont. General Steel Wares Ltd., Montreal, P.Q. The Pedlar People Ltd., Oshawa, Ont.	7¢ per hour 2¢ " " 12½¢ " "	June 10/48 June 10/48 May 26/48	225 520 150
<u>Preparation of Non-ferrous Metallic Ores:</u> (Av.hr.earnings 107.4¢) International Nickel Co., Sudbury, Ont. Port Colborne, Ont. Canadian Industrial Minerals Ltd., Walton, N.S. Western Clock Co., Peterborough, Ont.	13¢ per hour " " " 5¢ per hour 6%	June 1/48 " June 10/48 June 14/48	8,700 1,530 180 650
<u>Aluminum & Products:</u> (Av.hr.earnings 94.5¢) Aluminum Co. of Canada, Arvida, P.Q.	8¢ per hour	June 18/48	5,600
<u>TRANSPORTATION</u>			
<u>Local Transportation:</u> (Av.hr.earnings 92.4¢) Winnipeg Electric Co., Winnipeg, Man.	5¢ per hour 6¢ " " 12¢ " "	Jan. 1/48 Mar. 1/48 Jan. 1/48	1,800) 40
Sydney & Whitney Pier Bus Co., Sydney, N.S. Automotive Transport Ass'n., Montreal, P.Q. (138 companies) Chauffeurs & Checkers Dockmen Semi-trailer drivers	15¢ " " 20¢ " " 10¢ " " 7¢ " " 5¢ " "	June 14/48 " " " " June 1/48 " "	3,500) 75 90
Thos. Jackson & Sons, Winnipeg, Man. McCurdy Supply Co., Winnipeg, Man.			

WAGE INCREASE ANNOUNCEMENTS June, 1948 (Concl'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>TRANSPORTATION</u> (Cont'd)			
Inland Steel & Forgings Ltd., Winnipeg, Man.	5¢ per hour	June 1/48	55
Moose Jaw Cartage, Moose Jaw, Sask.	\$6 per week	Mar. 1/48	20
Union Transfer & Storage, Moose Jaw, Sask.	" "	"	10
National Cartage & Storage, Regina, Sask.	" "	"	25
<u>CONSTRUCTION</u>			
<u>Buildings:</u> (Av.hr.earnings 98.9¢)			
Calgary, Alberta. - Sheet Metal Workers -	20¢ per hour	June 1/48	50
Hamilton, Ont. - Carpenters -	12¢ " "	May 1/48	600
Port Arthur-Fort William, Ont., - Plumbers -	15¢ " "	May 1/48	85
Sarnia, Ont., - Carpenters & Joiners -	10¢ " "	June 7/48	260
Toronto, Ont., - Plasterers -	20¢ " "	June 1/48	100
- Bricklayers & Stone Masons -	10¢ " "	May 1/48	700
Vancouver, B.C. - Plumbers & Steamfitters -	10¢ " "	June 8/48	400
Miners Construction Co., North Battleford, Sask.			
- Carpenters & Joiners	10¢ " "	June 1/48	35
J. W. Stephens, Ltd., Sydney, N.S. - Carpenters -	10¢ " "	May 20/48	75
<u>SERVICE</u>			
<u>Hotels & Restaurants:</u> (Av.hr.earnings 54.6¢)			
Vancouver, B.C. (Beverage Dispensers)			
Tapmen, Floormen & Utility Men.	\$5 per week	June 1/48	50
<u>Personal:</u> (Av.hr.earnings 59.4¢)			
Launderers & Dry Cleaners, Toronto, Ont.	8¢ per hour	June 22/48	200
<u>TRADE</u>			
A.E. McKenzie Seed Co., Brandon, Man.	10-25¢ per hour	June 1/48	30 perm. 80 Season
Schwartz Iron & Metal Co., Winnipeg, Man.	5¢ per hour	June 10/48	10
Canadian Window Bakery Chain, (25 stores), Vancouver & New Westminster, B.C.	\$3-\$5 per week	Apr. 1/48	150

CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

Approximately 5,929 workers were affected by lay-offs during June, 1948, as compared to 5,970 during May and 7,345 during April. In June, most of the lay-offs were caused by the flood conditions in British Columbia. Most severely affected, in terms of employment, were the sawmills in the districts where flood conditions were worst. Material shortages accounted for only a very few lay-offs in June in contrast to the situation during previous months. Shortages of orders continue to account for about one-quarter of all lay-offs.

During the past two years, Canadian manufacturing industries have been expanding steadily in an attempt to meet the large demand for all types of manufacturing products which existed both here and in other countries. This backlog of demand for civilian goods, which was built up throughout the war years, has not been satisfied in any general manner. As a result, manufacturing employment has been steadily increasing until it is now approximately 3 per cent above last year's level and 19 per cent above the average 1946 level.

Supplies of some types of goods, however, are beginning to match existing demand. In some cases, a larger supply of goods has been made available through expanded production facilities; in others, demand has been lessened by higher prices.

In many industries, such an equilibrium between demand and supply has resulted in the lay-off of a number of workers in the industry concerned. For the most part, lay-offs which are currently taking place as a result of a shortage of orders are of a temporary nature. The workers involved, therefore, can find work in other fields where shortages of labour continue to exist.

Many lay-offs are also due to material shortages. This is particularly true in industries utilizing steel products, although such lay-offs are occurring sporadically in a few other fields. From time to time, the import restrictions on goods from the United States have resulted in lay-offs of a few workers, but, as yet, there have been only isolated instances.

Lay-offs may also take place because of seasonal inactivity or because of other temporary developments such as repairs or stock-taking. For the most part, such work stoppages are only of a temporary nature.

In order to have current information available on the extent and nature of lay-offs in manufacturing industries, the offices of the National Employment Service are reporting any such developments as soon as they occur. These reports will henceforth be tabulated and presented in the following table in this section of the Canadian Labour Market. It should be clearly understood that such reports do not provide a complete listing of all lay-offs that occur in the country, but they certainly include data on all major lay-offs.

Table I--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause.

Cause of Lay-off	April, 1948		May, 1948		June, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders	2,119	28.9	1,786	29.9	1,246	21.0
Shortage of Materials ...	3,234	44.0	3,732	62.5	91	1.5
Seasonal	616	8.4	62	1.0	150	2.5
Other Causes	1,376	18.7	390	6.6	4,442	75.0
Total	7,345	100.0	5,970	100.0	5,929	100.0

Table 2--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry.

Industry	April, 1948		May, 1948		June, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages	426	5.8	-	-	25	0.4
Tobacco Products	275	3.7	-	-	-	-
Rubber Products	199	2.7	100	1.7	230	3.9
Leather Products	388	5.3	42	0.7	35	0.6
Textile Products	491	6.7	33	0.6	297	5.0
Clothing	597	8.1	323	5.4	240	4.1
Wood Products	313	4.3	408	6.8	4,105	69.2
Paper Products	35	0.5	60	1.0	78	1.3
Iron and Steel	1,497	20.4	594	10.0	95	1.6
Transportation Equipment	2,597	35.4	4,161	69.7	211	3.6
Non-Ferrous Metals	50	0.7	-	-	358	6.0
Electrical Apparatus	267	3.6	151	2.5	249	4.2
Non-Metallic Mineral Products	18	0.2	-	-	-	-
Chemical Products	67	0.9	44	0.7	6	0.1
Miscellaneous	125	1.7	54	0.9	-	-
Total	7,345	100.0	5,970	100.0	5,929	100.0

REGIONAL ANALYSIS

- ▲ REGIONAL LABOUR MARKET
SUMMARY
- ▲ LABOUR MARKET RATING
OF COMMUNITIES
- ▲ EMPLOYMENT EFFECTS OF
PLANT EXPANSION

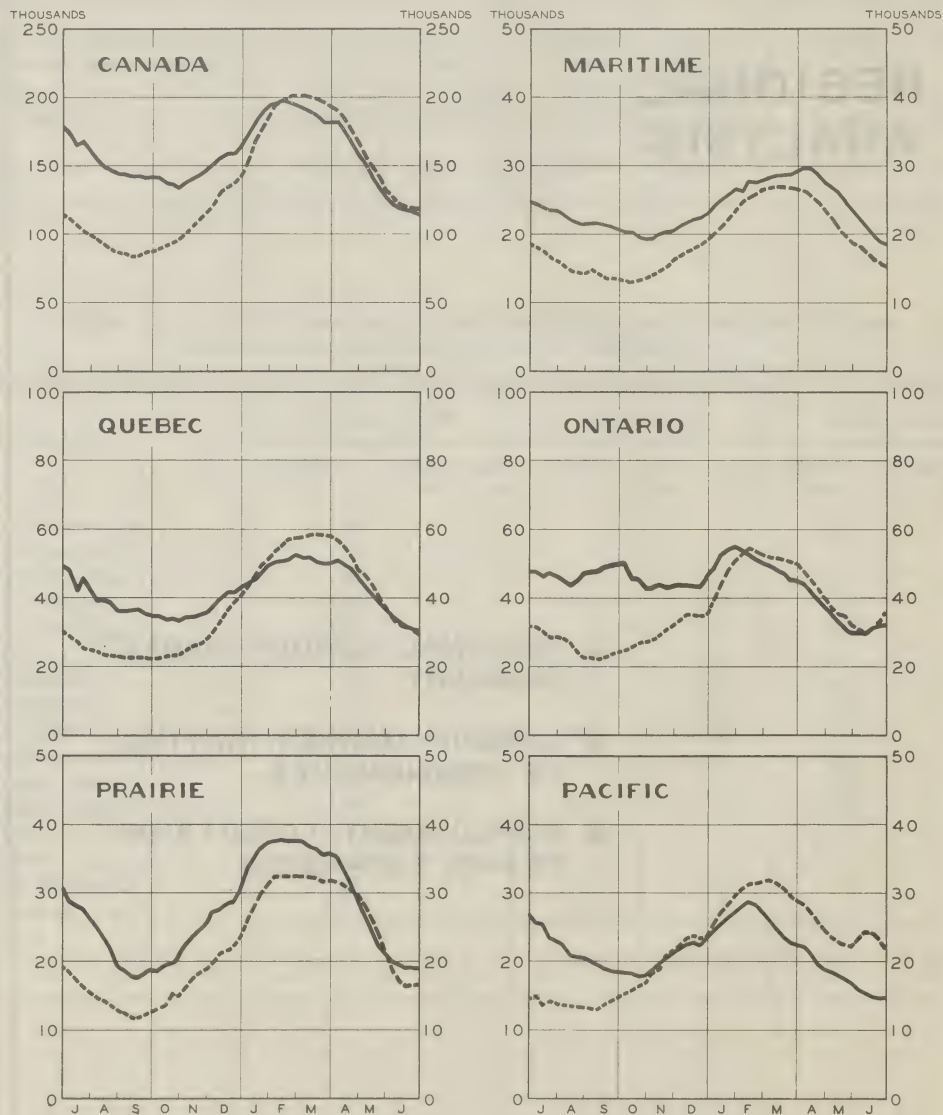
REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

JULY 1946 - JULY 1947

JULY 1947 TO DATE



REGIONAL LABOUR MARKET SUMMARY

The rate of decline of unplaced applicants decreased in all five regions during the month of June, largely because of the influx of students and first jobbers into the labour market. Labour market activity was rapidly returning to normal in British Columbia; in the other regions, demand for workers remained high in the primary industries, while many hirings in manufacturing were temporarily postponed until after the holiday period.

The Maritimes

The number of registered applicants declined by 3,400 during June, as the construction and fishing industries absorbed more workers. However, the decline was at a slightly slower rate than during May, largely because of the influx of students into the labour market at this time.

There are encouraging signs that unemployment in the Maritime region is decreasing in severity. In 1947, it was not until August that unplaced applicants dropped to the 15,000 level attained at the end of June this year. Approximately one-half of the 7.8 per cent gain in employment for all non-agricultural industry from April 1, 1947, to April 1, 1948, can be attributed to a strengthening of activity in manufacturing, construction, trade and service; the present normal operations in the coal-mining industry as compared to the curtailed employment during the strike period last year, accounts for the rest of the gain.

Although the fishing industry is more active than during May, it has a full complement of workers, and few jobs are available. Most of the workers now engaged in lobster fishing will be able to find jobs in agriculture or in service occupations when the season is over.

During June, demand for farm labour was light. Seeding was completed early in the month and most crops are developing satisfactorily. Demand for pulp cutters is increasing but, at present few men are accepting this type of work.

Activity increased in the shipyard industry during June as work on the Argentine order got under way in the Halifax shipyards. A scarcity of skilled steel shipwrights has been noted and this has resulted in reduced demand for unskilled workers. Ship repair work is slackening and many smaller yards have had to lay off workers.

Manufacturing employment has remained stable except for a few isolated instances. The steel plant in Sydney has increased hirings; further employment expansion is indicated in the new Bendix Corporation development.

The construction industry is playing the most active part in supplying seasonal employment for idle workers, but employment opportunities are much more numerous for skilled than unskilled workers. At present, during the slack transportation season, many temporarily unemployed have secured construction

work, although it is reported that about 750 dock workers in Halifax are still without jobs.

Quebec

Employment conditions continued to improve in the Quebec region during June, although, as in the same month last year, the forthcoming holiday period slowed the hiring pace in manufacturing. Unplaced applicants continued to drop, but at a less accelerated rate than during the previous month because of the heavy influx of students into the labour market both for seasonal and permanent employment. At July 1, 1948, there were 29,000 unplaced applicants on file in the Quebec region, 5,400 fewer than at the beginning of June.

Although the holiday season delayed some job openings, major manufacturing industry showed little change during June from the state of high activity that had prevailed during May. In the iron and steel manufacturing groups in particular, employment has picked up rapidly with an improved supply situation. On the other hand, both the radio and leather manufacturing industries have curtailed production to some extent. Employment in primary textiles remains stable, but there is some unrest in secondary textiles, where strikes have occurred and workers have transferred to other jobs.

Skilled construction workers are becoming increasingly scarce, but as yet, no overall difficulty has been encountered in securing unskilled labour. Lack of farm labour is apparently not having a serious effect on agricultural activity in Quebec, where crop prospects have been considerably improved by recent rains.

The logging drive is well under way. Seasonal employment in pulp and paper, lumbering, and transportation is considerably larger than last month, but jobs are being rapidly filled.

Ontario

Employment conditions again improved during June, largely because of increasing labour demand in construction and agriculture.

Labour needs in manufacturing industries were less extensive with the approaching holiday season.

The number of unplaced applicants showed a slight increase during June, reflecting the registration of large numbers of first jobbers, and also hundreds of students seeking temporary employment. The same growth in the number of unplaced applicants occurred in 1947; it does not reflect a tapering off in industrial activity.

Crop prospects in Ontario have been further improved by frequent rains during the latter part of June and the first of July. While rains have been beneficial to most crops, haying operations have been adversely affected. As in former years, there is an acute shortage of experienced farm labour to harvest the hay crop. Although harvest demands for labour are mostly temporary in nature, additional help is none the less vital to the farmer.

Employment activity in most manufacturing firms will be curtailed considerably during July with many of the larger plants closing entirely during

the holiday period. However, by the end of June, larger manufacturing centres reported few suitable tradesmen unemployed. Since a fair proportion of men do not return to jobs after holidays, a spurt in labour demand should occur at that time. Expansion in production in secondary iron and steel manufacturing is still hampered by the "tight" steel supply situation.

Seasonal canning operations in vegetable growing districts are increasing and while the peak demand for labour will not be reached until some time in August, more help is being hired daily.

Construction work is in full swing, and the clearance system is being used to a greater extent to secure skilled workers. While shortages of unskilled help are not nearly as numerous, many of the available unskilled men lack the physical stamina to cope with heavy construction work.

Prairies

Employment conditions in this region showed remarkable improvement during June. Not only did the construction work surpass all previous expectations but also more jobs became available in almost all other industries. Droughts are affecting the crop situation in some areas and this, in turn, has led to a balanced farm labour situation in the respective districts.

Recent employment figures indicate that by June considerably more workers were employed than at the same time last year. In some areas, however, the food-stuffs industry is seasonally slack, while employment in textile plants has not shown any general gain over the year.

The crop prospects are generally fair to good in Manitoba, eastern and southwestern Saskatchewan and southern Alberta. Elsewhere in Saskatchewan and Alberta, conditions are critical because of the lack of rain. Recent showers over the greater part of Manitoba have relieved the moisture shortage and prospects are much improved. In addition to the lack of rain in Saskatchewan, grasshopper damage has been heavy. Reduced wheat acreage is general throughout the Prairies with a corresponding increase in the acreage of coarse grains.

In common with most other regions, the decline in the number of unplaced applicants in the Prairies was not as great during June as that which occurred in May. Again, an influx of students in search of work was the primary factor. In general, job opportunities during June were more plentiful than in the previous months and consequently most students were able to find work. In fact, in many trades a shortage of labour developed. By the end of June, there were 16,750 unplaced applicants in the Prairies.

While the regional supply of labour for construction is fairly well balanced, there are growing shortages of almost all types of building labour in an increasing number of urban centres. Hundreds of students were placed in jobs in construction, trade and services, as well as in other industries.

British Columbia

By the end of June, employment conditions in the Pacific region were rapidly returning to normal after the flood disaster. Figures on unplaced applicants have reflected little of the rather violent employment changes which took place during the flood period. Although logging, agricultural, mining, manufacturing, and transportation industries were all either directly or indirectly affected by the flood, unplaced applicants increased only by approximately 1,000 during the first two weeks of June. As employment conditions improved, the number of unplaced applicants declined from 24,280 at June 10, to 21,800 by the end of the month.

Flood damage in the Kootenay Valley is estimated at \$1 million, while damage in the Fraser Valley is estimated as high as \$30 million. A relief program for flood damage is being initiated by both provincial and federal governments, and this will mean temporary employment for many construction workers. Construction work on rebuilding broken dykes, transportation and communication lines, plus the large amount of normal construction will mean a heavy demand for workers in July.

In the Fraser Valley the month of June has been very dry. The flood conditions make crop forecasting very difficult but in unflooded areas crops are good. In the Okanagan Valley, June was generally fine and all crops are growing well. The general condition of orchards is excellent. Spring wheat, oats, barley and flaxseed crops will be below average. Hundreds of berry pickers are being recruited from the Prairie Region, but there is no shortage of general labour in the agricultural industry.

Logging employment on the mainland was disrupted during June and the same condition applied to the lumber industry as some 2,000 sawmill workers were idle during the flood period. By the end of June most of these were back at work and logging operations on the mainland showed a marked increase in demand for labour.

The tie up of rail transportation through to Vancouver caused unemployment amongst waterfront workers as cargoes were held up. The trade and service industry slumped during June as many supplies were cut off and consumer buying was curtailed by lack of transportation.

The manufacturing industry was very quiet during June, as small but steady lay-offs occurred in the shipbuilding industry, and hiring activity in many plants was light.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at June 1, 1948, at May 1, 1948, and at June 1, 1947.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I — Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II — Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III — Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV — Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying market conditions as they are pictured by the local National Employment Service office. The ratings for May and June of 1948 are preliminary.

At present, there is no statistical information available on the total volume of unemployment by area. This being the case, the number of unplaced applicants is a very important factor in evaluating labour market conditions in a particular area.

LABOUR MARKET RATING OF COMMUNITIES

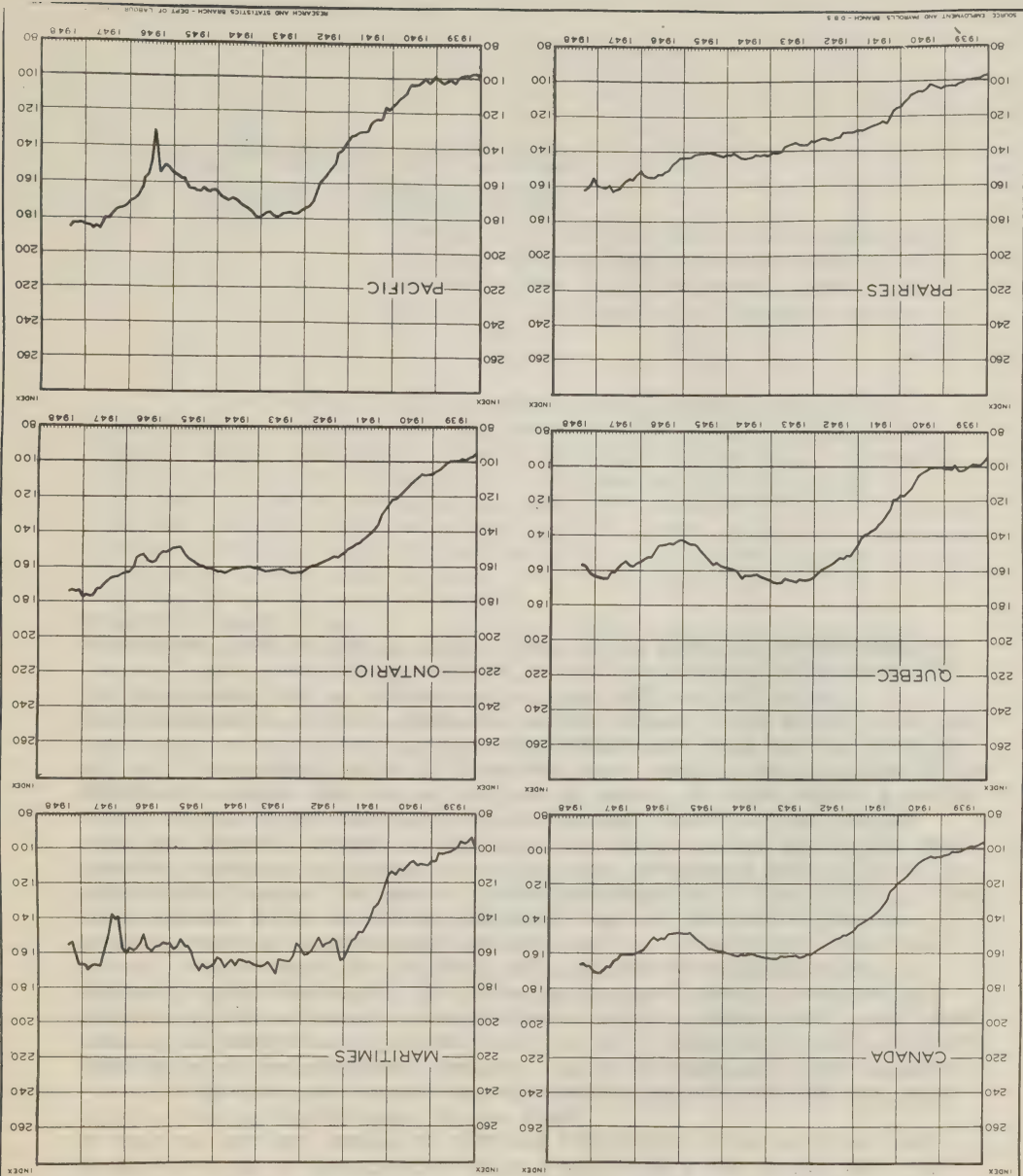
Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	June 1, 1948	May 1, 1948	June 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	III
Windsor.....	III	III	III
Vancouver.....	III	III	III
Winnipeg.....	III	III	III
Ottawa.....	IV	III	III
Hamilton.....	IV	IV	IV
Montreal.....	IV	IV	IV
Toronto.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney.....	II	II	II
Saint John.....	III	III	III
Halifax.....	III	III	III
Calgary.....	IV	III	IV
Fort William - Port Arthur.....	IV	III	IV
Edmonton.....	IV	IV	IV
London.....	IV	IV	IV
Regina.....	IV	III	IV
<u>Population of 25,000 to 50,000</u>			
Hull.....	III	III	II
Oshawa.....	III	III	III
Three Rivers.....	III	III	III
Victoria.....	IV	IV	IV
Saskatoon.....	IV	III	IV
St. Catharines.....	IV	IV	IV
Kingston.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Brantford.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Kitchener - Waterloo.....	IV	IV	IV
<u>Population of under 25,000</u>			
Amherst.....	II	II	II
New Glasgow - Pictou.....	II	II	I
Valleyfield.....	III	II	III
Scot.....	III	II	IV
Shawinigan Falls.....	IV	III	III
Chicoutimi.....	IV	III	IV
Welland.....	IV	IV	IV
Niagara Falls.....	IV	IV	IV
Trail.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV

REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED
FROM 1939 TO 1947

(AVERAGE - 1939 = 100)



RESEARCH AND STATISTICS BRANCH - DEPT. OF LABOUR

INDEX EMPLOYMENT AND INCOME, BRANCH - D.S.

An "unplaced applicant" is a person who is registered at an office of the National Employment Service, and who either has not been placed in a job by the Employment Service, or for whom the Employment Service has had no notification of his obtaining a job on his own. It is obvious that the number of unplaced applicants is not equal to the total volume of unemployment in the area.

In the first place, not all workers who are seeking jobs will register with the Employment Service. It is probable that most of those covered by Unemployment Insurance will do so in order to collect insurance benefits in their period of unemployment is sufficiently long. But, many workers do not come within the scope of the Unemployment Insurance Act. Second, some workers who register with the Employment Service may be wanting merely to change jobs. At the time of registration, therefore, these workers would be already employed. Third, Employment Service regulations provide that when a worker registers for a job another contact need not necessarily be made with him by the Employment Service until 30 days have passed, unless, of course, a job was found for him in the meantime. If the worker obtains a job on his own during this period the Employment Service may not be notified of this. In other words, a worker may still be counted as an unplaced applicant despite the fact that he now has a job. Finally, some workers may register for work at more than one local employment office. When this occurs, there is the possibility that the same person may be counted twice as an unplaced applicant.

With these qualifications in mind, statistics of unplaced applicants may then be used to throw light on the trend of unemployment in particular areas.

EMPLOYMENT EFFECTS OF PLANT EXPANSION

An easing material supply and labour situation now is permitting many manufacturing firms to proceed with their industrial construction plans. The value of contracts awarded in the second quarter of 1948 was \$25.8 million compared to \$20.3 million in 1947.

Revised estimates of manufacturing capital expenditure on construction, machinery and equipment, issued by the Department of Reconstruction and Supply indicate that \$595 million will be invested by the manufacturing industry in 1948 compared to a peak of \$513 million in 1947; a percentage increase in investment of 11.6. Although capital investment will be higher in 1948, higher costs will mean that actual physical volume of construction will roughly equal that of 1947. Thus after a slow start in 1948, industrial expansion shows every sign of keeping up the pace set in 1947.

Such industrial expansion creates employment in two ways: one by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore, more important to the particular area where the new industries are located.

For these reasons, therefore, a listing by industry within each area of all such capital expansion, whether it be a new plant, a plant expansion, or the occupation of empty plant facilities, is provided in this section of the Canadian Labour Market from month to month. The type of expansion taking place is denoted as follows: new plant - N.P., plant expansion P.E., and occupation of present plant facilities - P.F. Estimates are also given of the date of completion and the number of new employees required.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable Time of Commencement of Production
Magog, P.Q.	Textiles Dominion Textile Co. Ltd.	N.P. & P.F.	100	4th Qtr/48
Montreal, P.Q.	Bakery Products George Weston Biscuit Co. Ltd.	P.F.	300	1st Qtr/48
Quebec, P.Q.	Electrical Apparatus Canadian General Electric Ltd.	P.F.	300	2nd Qtr/48
	Wood and Lumber Products Oval Wood Dish Co.	P.F.	300	2nd Qtr/48
Rigaud, P.Q.	Textiles H.B. Glassford Ltd.	N.P.	75	2nd Qtr/48
Brampton, Ont.	Wood and Lumber Products Moore Dry Kiln Co. of Canada Ltd.	P.E.	35	2nd Qtr/48
Chatham, Ont.	Wood and Lumber Products J. and D.A. Harquail Co.	P.F.	100	2nd Qtr/48
Freeman, Ont.	Textiles Bonar & Bemis Ltd.	N.P.	60	4th Qtr/48
Kitchener, Ont.	Textiles Lancaster Weaving Co. Limited	N.P.	40	3rd Qtr/48
Midland, Ont.	Optical Lenses Bausch & Lomb Optical Co. Ltd.	N.P.	60	1st Qtr/48
Port Union, Ont.	Construction Materials Canadian Johns-Manville Co. Ltd.	N.P.	400	2nd Qtr/48
Sault Ste. Marie, Ont.	Lumber and Veneer Products Podeles Lumber & Veneer Co.	N.P.	1,000	4th Qtr/48
Toronto, Ont.	Alcoholic Beverages Canadian Breweries Ltd.	P.E.	45	2nd Qtr/48
Weston, Ont.	Chemicals Canadian Industries Ltd.	N.P.	225	1st Qtr/48
Vancouver, B.C.	Wood and Lumber Products Pacific Pine Co. Ltd.	P.E.	30	1st Qtr/48

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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July DEPT. OF POLITICAL ECONOMY 1948
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FEATURE ARTICLE

Earnings and Consumer
Prices in Canada,
1939-1948

Volume 4

Number 7

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CANADIAN LABOUR MARKET

Published by the authority of

Hon. Humphrey Mitchell
Minister of Labour

Arthur MacNamara, C.M.G., LL.D.
Deputy Minister of Labour

This is a monthly publication prepared by the Research and Statistics Branch of the Dominion Department of Labour.

The purpose of the report is to provide information on conditions in the labour market on an occupational, industrial, and geographical basis.

The material in this report is organized under three major headings: national, industrial, and regional analysis. The basic approach to any subject under these headings adheres to the following pattern:

- (1) what happened;
- (2) why it happened;
- (3) what is its significance;

with the major emphasis placed on the last two steps.

It must be stressed that the contents of this report are Confidential, and for the sole use of responsible Government officials. The unrestricted interpretation of labour market events and the use of confidential information precludes any extensive circulation.

Accordingly, the contents of the report should not be published elsewhere or quoted outside government circles without the authority of the Minister of Labour.

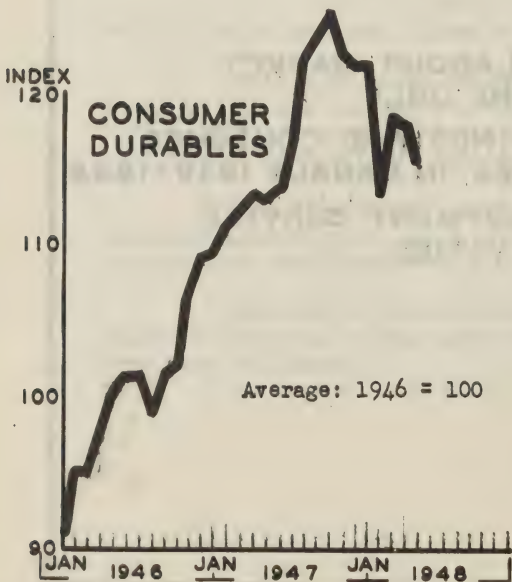
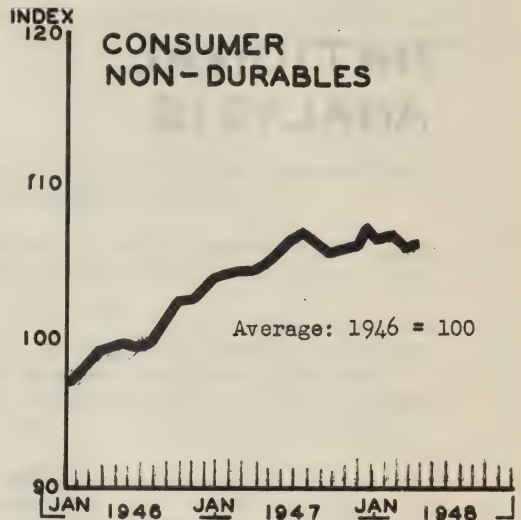
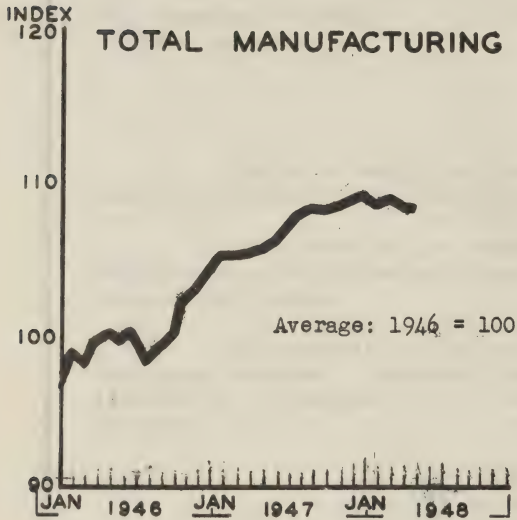
For public information concerning labour matters, the reader is referred to the Labour Gazette, the official journal of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING JULY
- ▲ EARNINGS AND CONSUMER
PRICES IN CANADA 1939-1948
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

EMPLOYMENT TRENDS IN MANUFACTURING INDUSTRIES.....

(SEASONALLY ADJUSTED)



THE LABOUR MARKET DURING JULY

The Canadian labour market during July was featured by seasonal activity in many industries, notably agriculture and construction. Total employment has risen more than 300,000 above the winter low and unemployment was less than 2 per cent of the labour force. Wage rates continued to rise with the average worker making nearly \$40 per week. Strike activity, although above July, 1947, was far below that in the big strike year of 1948.

It was recently announced by the Dominion Bureau of Statistics that the number of persons in the Canadian labour force was estimated at 5,030,000, as at June 5, 1948. Of this total, 4,948,000 were employed and 82,000 were unemployed.

This means that there were 127,000 more people working in Canada at that date than there were in the same period in 1947. As well, there had been a seasonal increase in employment of nearly 300,000 since the end of February.

During July, the Canadian labour market was featured by a continuation of this growth, both long term and seasonal. Reports received in the Department of Labour from National Employment Service officials in close contact with employers and workers indicate that this year's labour supply is more adequate than that at any time since the early years of the war.

The number of job vacancies reported to the National Employment Service as at July 31 was 50,000. Last year, at the same period, the total was 90,000. The number of placements being made by the Employment Service compares favourably with 1947, however. During June, 79,000 persons were placed in employment, 3.5 per cent more than the same month in 1947.

The tourist trade, which now stands second to newsprint as a source of United States dollars, is expected to surpass the 1947 record of \$235 millions this year. Up to the end of July, American traffic entering Canada was 11 per cent above last year's total for the same period.

Manufacturing employment is levelling off after its 1947 expansion (Chart I). Contraction has been evident in consumer durable employment but this group is expected to pick up somewhat with the withdrawal of austerity taxes.

During July, there were 25 strikes involving 8,500 workers for a time-loss of 78,867 days. Two big strikes - 2,600 workers in McKinnon Industries, St. Catharines, Ontario and 1,100 furniture workers in 8 factories in Quebec province, accounted for over half the total time-loss. In July, 1947, 3,100 workers were out on strike in 29 plants for a time-loss of 23,769 days.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	July 1948	June 1948	May 1948	Apr. 1948	June 1946	June 1945	June 1943	June 1939
Population: -								
Births (a).....000's	-	14.7	14.9	14.5	13.5	11.9	11.9	7.3
Deaths (a).....000's	-	5.0	5.4	5.5	4.6	4.7	4.6	4.0
Immigration.....000's	-	-	9.6	9.4	7.1	2.6	.9	2.3
Civilian Labour Force: -								
Number.....000's	-	-	-	-	4828	-	-	-
Employment: -								
Number.....000's	-	-	-	-	4702	-	-	-
Index (b).....Av.1926=100	-	190.2	185.2	185.2	168.6	173.1	178.3	113.1
Female (b).....%	-	21.9	22.5	22.5	23.4	-	-	-
Unemployment: -								
Number.....000's	-	-	-	-	126	-	-	-
Unplaced applicants (c)....000's	119	131	165	194	211	72	75	-
Live claims.....000's	57	71	105	136	99	16	3	-
Earnings and Hours: -								
Labour income..... \$000,000's	-	-	557	540	421	-	-	-
Per capita wkly.earnings (d)...\$	-	37.78	38.53	38.45	29.02	31.14	-	-
Average hrly.earnings (d).....¢	-	90.6	89.4	89.0	69.1	70.3	-	-
Average real weekly earnings (e) Av.1946=100	-	100.2	102.8	103.7	96.0	106.4	-	-
Average hours per week (d).....	-	41.7	43.1	43.2	42.0	44.3	-	-
Cost of Living: -								
Index.....Av.1935-39=100	156.9	154.3	153.3	151.6	123.6	119.6	118.5	100.5
Strikes and Lockouts: -								
Workers involved.....000's	9	4	3	4	71	3	23	2
Man-working days lost.....000's	80	35	40	49	934	5	143	9
Industrial Production: -								
Index..... Av. 1935-39=100	-	180.5	182.3	184.1	156.4	182.2	198.1	108.3

- In cities, towns, and villages of 10,000 or more persons.
- Based on firms of 15 or more workers, in the nine leading industries.
- Registered with National Employment Service Offices.
- Wage earners in manufacturing only. April data adjusted for holidays.
- Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

CALENDAR OF LABOUR MARKET EVENTS

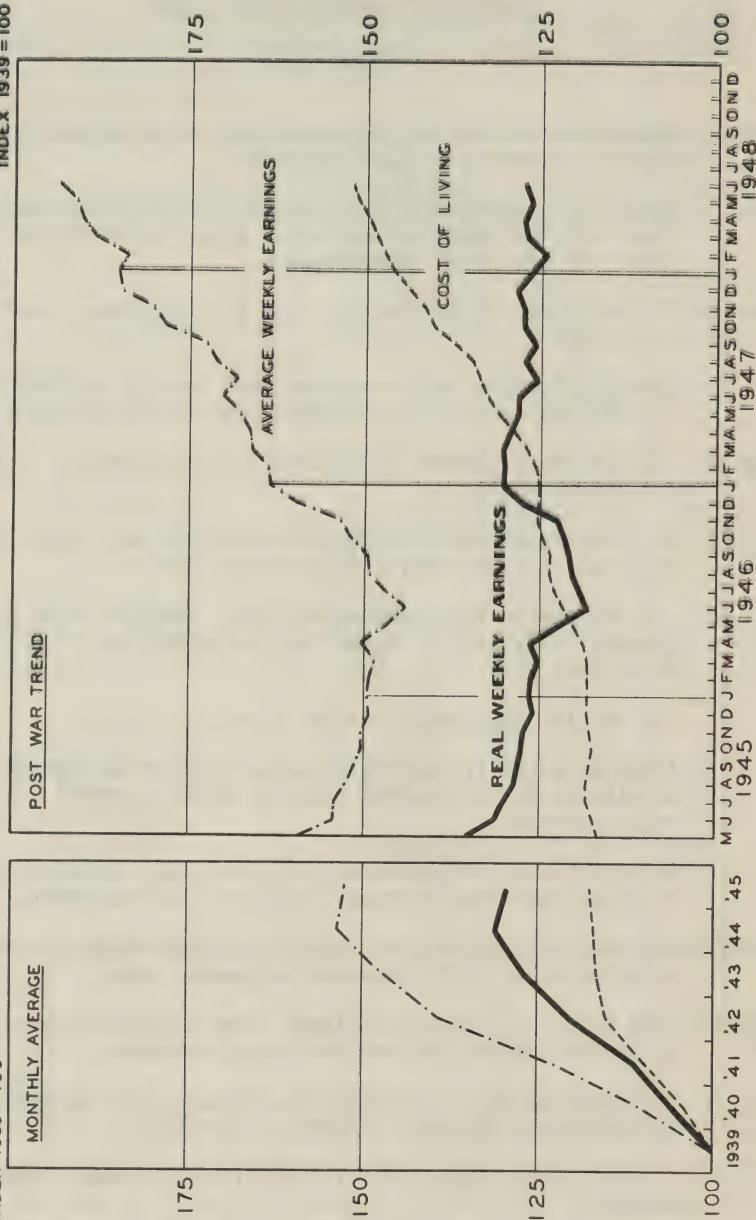
July, 1948.

- July 1 Noranda Mines Ltd. and several other Quebec metal mines raised their basic wage to \$1.08 per hour.
- July 5 Miners and operators of 5 Edmonton District mines agreed upon a \$1.40 per day wage increase after a six-month strike. Only 3 mines now are still negotiating.
- July 9 700 employees of the American Can Co., Montreal, received wage increases.
- Canadian Vickers Ltd. commenced work on a \$5 million contract for several cargo liners commissioned by the Colombia Government.
- July 10 600 furniture workers in 3 firms in Victoriaville, Que., struck for higher wages.
- July 12 600 workers of the Canadian Silk Products Co., Sherbrooke, Que., returned to work after a three-month strike.
- July 13 400 workers in Franco-Canadian Dyers, Demetre Sault Ciriez (Canada) Ltd. and St. Johns Textile Mills, St. Johns, Que., went on strike.
- 121 British immigrants arrived by air.
- July 15 After a series of last-ditch union-company-Government conferences a rail strike was averted when the union accepted a 17¢ per hour wage increase.
- General Motors of Canada signed a two-year agreement providing for a 9¢ per hour wage increase for its 5,000 employees.
- July 20 450 workers went out on strike for higher wages at the Dionne spinning mills in St. Georges de Beauce, Que.
- July 24 Ford Motor Co. of Canada signed a new agreement granting its 14,500 employees a 9¢ per hour wage increase.
- July 29 The Goodyear Tire and Rubber Co. signed a new agreement with the United Rubber Workers of America, CIO-CCL.
- July 30 A total of nearly 3,000 D.P.'s arrived in Canada throughout the month.
- July 31 The Chrysler Motor Corp. of Canada signed a new agreement with the UAW-CIO providing for an 11¢ per hour wage increase for employees.

TREND OF REAL EARNINGS IN CANADA FOR WAGE EARNERS IN MANUFACTURING

INDEX 1939 = 100

INDEX 1939 = 100



EARNINGS AND CONSUMER PRICES IN CANADA 1939 - 1948

Average weekly earnings for wage earners in the manufacturing industries at June 1, 1948, were 83.9 per cent above their 1939 level. During the same period from 1939 to 1948, the cost-of-living index rose by 52 per cent. Thus, in spite of the decreased purchasing power of the dollar, real weekly earnings at June 1, 1948, were 27.6 per cent higher than in 1939.

In the nine years since 1939, the demands of Canadian consumers for almost all kinds of goods and services has been far in excess of available supplies. During the war years, the diversion of Canadian productive resources to meet the unlimited requirements of the war not only provided steady employment and high earnings for almost all workers, but also markedly reduced the production of most consumer goods. In the postwar years, the accumulated savings in the hands of most Canadian consumers, as well as the long deferred needs for almost every kind of goods and services, meant that a general sellers' market continued to characterize the economy.

It was inevitable that under these conditions the prices of most goods and services would be drawn upwards. Not only has the demand for food, clothing, shelter, housefurnishings, and other consumer goods, been so great as to push the prices of such articles continually higher, but also the resulting endeavours to expand production facilities have led to increasing prices for most producer goods. Under these conditions, the price of labour also rose.

These developments have currently brought to the fore a series of questions concerning the relative movements of earnings and consumer prices and the consequent effects on the purchasing power of the incomes of different groups in the economy. The purpose of this article, therefore, is to examine in some detail the trends of both consumer prices and of earnings since 1939 in order to determine the extent and causes of any changes which have occurred in the amount of goods and services which can be purchased by the average earnings of an important group of workers in the economy.

The discussion will be confined to one group of workers, namely, wage earners in manufacturing industries. At present, such workers number almost one million. Their importance as a group is additionally emphasized by the fact that their earnings are relatively sensitive to general business conditions and thus they are among the first to feel the effects of any change in economic conditions.

Trend of Weekly Earnings—

When hostilities broke out in 1939, immediate preparations were made for the mobilization of the country's industrial resources and their conversion to wartime needs. This re-organization of the whole Canadian economy for the prosecution of a total war was accomplished in a remarkably short period and, by the end of 1941, virtually all of Canada's productive resources were being utilized to the full. With respect to manpower, the various reserves that had existed in 1939 were soon in full use. As a result, shortages of labour, which had earlier developed in a number of industries and areas, had become much more general by the beginning of 1942.

The growing labour shortage primarily accounted for the wide-spread upward adjustment of wages that characterized the first two years of the war. There was a general rise of 23 per cent in the wage rates being paid throughout Canadian industry from 1939 to 1942. In manufacturing industries, a slightly greater rise of 26 per cent occurred over the same period.

The complete utilization of Canadian manpower resources also resulted in an increase in the number of hours worked per week. Many of the manufacturing firms engaged in war work remained in operation 24 hours of each day and seven days a week. Although this continued operation was achieved by the adoption of shift work, nevertheless the average wage earner found himself working an increasing number of hours each week. Thus, average hours worked by wage earners in manufacturing firms rose from 47.4 per week in 1939 to 50.6 in 1941.

The combination of the two developments mentioned above, increased wage rates and a longer work-week, along with the increasing concentration of workers in the higher paying war industries, led to a substantial rise in average weekly earnings from 1939 to 1942. As can be seen in Table I, weekly earnings rose by almost 40 per cent in these three years.

By the end of 1941, it had become apparent to the Canadian government that broad inflationary forces were developing in the economy which, unless controlled, would lead to a ruinous spiral of prices and wages. Accordingly, a broad program of price and wage control was brought into existence on October 18, 1941. This program extended to all industries the system of allowing wage increases only on government authority, which previously had been compulsory in war industries only. Increases were generally prohibited, except for promotion or increased responsibility, and a cost of living bonus was provided in the event of a further increase in the price of consumer goods and services. Provision, however, was made for wage increases in cases where it could be shown that the rates were lower than those prevailing for similar work in the same or comparable localities.

As a result of the wage control program, wage rates in manufacturing industries became relatively stable, although adjustments in the wage structure continued to take place and the cost of living bonus was increased from time to time. The increase in rates of pay which occurred from 1942 to 1945 amounted to 17 per cent, compared with a rise of 26 per cent in the preceding three years. At the same time, Canadian industry was becoming more effectively organized with greater utilization of the

existing manpower resources. As a result, average hours worked by wage earners dropped from 50.6 in 1941 to 47.5 in 1944, the last complete postwar year.

The continued rise in wage rates during the later years of the war, accompanied by the drop in hours worked, resulted in only a slight increase in average weekly earnings. From 1942 to 1944, weekly earnings rose only by 10 per cent.

Following V-E day, Canada's war industries began to contract very rapidly and a general reshuffling of the labour force took place as industry was re-organized to meet the requirements of peacetime conditions.

As the war industries, which had paid higher than average wage rates, terminated production, the average hourly earnings of wage earners employed in manufacturing industries fell from 70.5 cents in the payroll period preceding May 1, 1945, to a low point of 67.0 cents by December 1, 1945. This downward trend reflected not so much an actual drop in the wage rates paid as a change in the number of workers in industries which were paying a high hourly rate and in industries which were paying a low rate. The latter were employing a greater and greater proportion of the total wage earners in manufacturing.

The end of the war also meant that it was no longer necessary to work the longer hours which had been the usual practice in the previous few years. In fact, many manufacturing plants were compelled to work a shortened work-week because of material shortages and other difficulties arising out of the problems of postwar reconversion. Accordingly, average weekly hours worked dropped from 45.5 at May 1, 1945, to a low of 42.0 at June 1, 1946.

The drop in average hourly earnings, together with the decline in hours worked, meant that average weekly earnings dropped fairly steadily during the 12 months following V-E day. The postwar low in weekly earnings was reached at June 1, 1946, when they amounted to \$29.02.

Even before this date, however, hourly earnings had begun to increase. The first half of 1946 witnessed the initial stage of this increase so that by July hourly earnings had returned to the level reached at July 1, 1945. This reversal in trend was due partly to proportionately greater employment in the heavy manufacturing industries where reconversion was nearing completion and where wage rates were higher than average. It was also due to a general rise in the rates of pay in manufacturing industries as a whole as wage controls were gradually relaxed and as the general shortage of labour continued.

By the latter half of 1946, wage rate increases were becoming quite general and, with the complete relaxation of wage controls at the end of the year, the increase in rates of pay gathered momentum. Throughout 1947, hourly earnings climbed steadily, moving from 76.3 cents at the beginning of the year to 85.6 cents at December 1, 1947. This steady increase continued throughout the first half of 1948.

Meanwhile, average hours worked remained steady at about 42 to 43 per week.

Weekly earnings, therefore, increased from \$29.02 at June 1, 1946, to \$37.80 at June 1, 1948. This rise in weekly earnings during the last two years was primarily, of course, a direct result of the general shortage of labour which continued to characterize the Canadian economy. This situation was reflected in manufacturing firms since the competition of the

primary industries such as logging and mining, and of the construction, trade, and service fields now became a very real factor. During the war years, a system of labour priorities had been in existence which channelled workers into the war industries. In 1947 and 1948, only by paying relatively high wage rates could manufacturing firms hope to attract the required number of workers. In addition, organized labour, which had greatly improved its bargaining position during the war years, now pressed for wage increases, at first, in order to maintain the war-time level of take-home pay and later, to meet the rise in the cost of living.

At present (June 1, 1948), therefore, weekly earnings of wage earners in manufacturing are 93.9 per cent above their average 1939 level.

Trend of Consumer Prices—

The basic developments which determined the war and postwar trends in earnings also contributed to movements in the prices of consumer goods and services. As can be seen from Table 1, the cost of living rose sharply from 1939 to 1942, then held to a level about 17 per cent above that in 1939 for the remainder of the war. In the postwar years, consumer prices resumed their upward movement with increased momentum.

Many factors entered into the increased prices of goods and services during the earlier years of the war. The primary development, of course, was the increased utilization of all resources for the production of war goods. This meant that the volume of consumer goods being made available to the public was reduced at the very time when the spending power of many workers was being increased.

A number of other developments also contributed to the rise in consumer prices. The premium on U.S. funds, for instance, which came into existence at the beginning of the war, increased the prices of almost all goods being imported from countries outside the British Commonwealth. Increased transportation costs resulting from the war conditions also raised the prices of many goods within the country. Commodity taxes caused an increase in the price of such articles as coffee, tea, sugar, and flour. In addition, the prices of a number of agricultural goods had been so low in the months immediately preceding the outbreak of war that a rise in them was almost inevitable.

Even these developments, however, did not result in a significant rise in consumer prices until the spring of 1941. Prior to that time, the utilization of unemployed resources had not been complete and, consequently, sufficient goods could be produced to meet the growing demand. In addition, many shortages that did develop were eased by access to United States sources of supply.

After the first quarter of 1941, however, the rate of increase in consumer prices speeded up considerably. From April 1 to November 1, 1941, the cost of living index rose by 7 per cent, nearly as great a rise as that which occurred during the previous two years. The beginnings of an inflationary spiral were thus becoming evident. It was inevitable, of course, that the supply position of consumer goods would become less favourable as the resources available for civilian production diminished and as the United States developed its own defence program.

The imposition of price ceilings on October 18, 1941, immediately curbed these price rises. Throughout the remainder of the war years any further increases were comparatively small, although price ceilings had to be supplemented by subsidies and rationing in the case of many items, particularly food.

Throughout all of the war years following 1941, both the propensity and the ability of Canadian consumers to purchase goods and services was steadily increasing at the same time as the supply of most goods was being restricted. A constantly increasing quantity of money became available for the purchase of a considerably reduced volume of goods. This situation meant that the pressure on prices grew steadily greater even though much of the excess purchasing power was channelled into savings and taken up by relatively high wartime taxes.

At the same time, other pressures on the price ceiling developed. Most manufacturers found that they were being "squeezed" by rising costs. The need to bring supplies from longer distances, and the substitution of land for water transport, increased transportation costs. Operating costs were also raised because of the difficulty in obtaining supplies at the time required. Furthermore, in some lines, decreased production raised unit overhead costs. Finally, it was inevitable that serious pressures on labour costs would develop despite the wage control program.

All of these factors meant that by the end of the war the comparative stability of prices was being seriously threatened. In addition, the termination of hostilities itself brought into play additional factors which added to the pressure on prices. The rehabilitation needs of the devastated countries of Europe resulted in a large demand for all kinds of goods, particularly food. Then, too, the demobilization of Canada's armed forces and the rehabilitation benefits which were made available to them resulted in an additional large and effective demand for almost all types of consumer goods and services.

In the face of these conditions, the removal of price controls was extended over a considerable period. As the supply position of individual goods became more balanced, price ceilings on the particular article were lifted. Thus, the main objective was to control the post-war inflationary forces without, at the same time, reducing the initiative to produce.

For the first 18 months after V-E day, therefore, the cost of living rose slowly. From May 1, 1945, to the end of 1946, the index rose only by seven per cent. This relative stability in prices was evident for almost all types of consumer goods and services.

From the beginning of 1947, however, the prices of most goods began to rise with increasing rapidity. Foods, particularly, experienced a sharp rise in price in the face of the world-wide shortage. In the 18 months following January 1, 1947, the retail prices of most foods rose by an average of 33 per cent. The prices of clothing and of home furnishings also rose sharply during this period. In general, the cost of living in Canada rose 22 per cent from January 1, 1947, to June 1, 1948.

At present (June 1, 1948), the general cost of living in Canada is 52 per cent above its average 1939 level.

Table I—Index Numbers of Average Weekly Earnings, Cost of Living, and Real Weekly Earnings in Canada, 1939-1948.

(Source: Dominion Bureau of Statistics; Real Weekly Earnings, computed by Research and Statistics)

Date	Average Weekly Earnings	Cost of Living	Real Weekly Earnings
1939 - Monthly average	100.0	100.0	100.0
1940 - Monthly average	110.7	104.0	106.4
1941 - Monthly average	122.8	110.0	111.6
1942 - Monthly average	139.1	115.3	120.6
1943 - Monthly average	147.3	116.7	126.2
1944 - Monthly average	153.5	117.1	131.1
1945 - Monthly average	152.5	117.7	129.6
May 1	159.3	117.2	135.9
June 1	154.6	117.8	131.2
July 1	154.2	118.5	130.1
Aug. 1	152.9	118.7	128.8
Sept. 1	151.5	118.1	128.3
Oct. 1	150.5	117.9	127.7
Nov. 1	150.5	118.1	127.4
Dec. 1	149.1	118.3	126.0
1946 - Monthly average	148.3	121.8	121.8
Jan. 1	149.7	118.1	126.8
Feb. 1	149.1	118.1	126.2
Mar. 1	148.4	118.3	125.4
Apr. 1	150.8	119.0	126.7
May 1	147.1	120.2	122.4
June 1	144.1	121.8	118.3
July 1	147.4	123.3	119.5
Aug. 1	149.5	123.7	120.9
Sept. 1	149.7	123.6	121.1
Oct. 1	152.1	124.9	121.8
Nov. 1	153.5	125.2	122.6
Dec. 1	159.8	125.2	127.6
1947 - Monthly average	169.5	133.5	127.0
Jan. 1	163.7	125.1	130.9
Feb. 1	163.9	125.9	130.2
Mar. 1	166.1	127.0	130.8
Apr. 1	166.4	128.7	129.3
May 1	168.0	131.1	128.1
June 1	170.2	132.9	128.1
July 1	168.5	133.9	125.8
Aug. 1	171.5	134.6	127.5
Sept. 1	172.6	137.3	125.7
Oct. 1	178.5	140.1	127.4
Nov. 1	180.4	141.5	127.5
Dec. 1	184.9	143.8	128.6
1948 Jan. 1	185.4	146.1	126.9
Feb. 1	184.0	147.9	124.4
Mar. 1	188.8	148.6	127.1
Apr. 1	190.5	149.4	127.5
May 1	191.3	151.0	126.7
June 1	193.9	152.0	127.6

Trend of Real Earnings-- (1)

What has been the effect of these changes in earnings and consumer prices on the purchasing power of wage earners in manufacturing?

A glance at Table I will show that the real weekly earnings of wage earners in manufacturing are presently hovering between 25 to 30 per cent above their average 1939 level. A closer scrutiny of the table will show further that this increase was completely confined to the war years. In 1945, an annual peak which was 30 per cent higher than in 1939 was reached. Since the war ended, the real weekly earnings of this group of workers have shown a tendency to vary within a range 25 to 30 per cent above the immediate prewar level.

As has already been mentioned, during the first three years of the war, there was a relatively rapid increase in both earnings and consumer prices. Since the gain in earnings was greater than the rise in prices, real earnings increased by 21 per cent from 1939 to 1942.

It was only to be expected that the earnings of workers in the manufacturing industry would outdistance any rise which occurred in prices during these years. The shifts which took place in the manufacturing labour force itself contributed substantially to the greater rise in earnings. As more and more workers became employed in the relatively higher-paying war industries, the average earnings of the group as a whole were bound to increase. In addition to this, however, most workers were experiencing steadier employment than they had in 1939. More regular work, and in many cases overtime work at premium rates of pay, also contributed to a considerable extent to the increased earnings.

During the remaining years of the war, real earnings continued to rise, although not at such a rapid rate. These years witnessed a very rigid application of price controls. Wage controls, too, were rigidly imposed but, as pointed out before, provision was made for adjustments in the wage structure and payment of cost of living bonuses were allowed. Although the range of rates being paid for particular jobs remained unchanged, workers moved more rapidly towards the top of their respective ranges. Promotions and the assumption of increased responsibilities also tended to increase earnings.

The months immediately following the end of the war saw a reversal of the shifts which had occurred in the manufacturing work force during the early war years. This redistribution of workers was the major factor which caused the decline in real earnings during the 18 months following V-E day. During these months, the small rise in the cost of living was matched by the corresponding rise in wage rates.

By the middle of 1946, however, real earnings once more began to rise, although very slowly. This year witnessed the first of the

(1) Index numbers of the trend of real weekly earnings among wage earners in manufacturing industries have been obtained by adjusting an index of weekly money earnings by the cost of living index.

drives carried out by organized labour throughout Canadian industry for increased wages. Canadian labour unions maintained that it was necessary to increase wage rates at this time in order to offset the decline in hours worked which had taken place when the war ended. It was essential to increase rates of pay, according to most unions, if take-home pay was to be maintained at the wartime level.

During the latter half of 1946, therefore, hourly earnings reversed their decline which had become apparent following V-E Day, and, by the end of the year, had reached the wartime level. Weekly earnings, too, regained their wartime peak by the end of 1946.

Throughout the first six months of 1947, real earnings declined slightly but recovered most of the lost ground during the second half of the year. During this year, organized labour carried forward the second of its postwar drives to increase wage rates. This time, however, wage demands were more directly based on the steady rise in the cost of living. During the year, the cost of living in Canada rose by 15 per cent, while the wage increases which were obtained by wage earners in manufacturing resulted in a rise of 12 per cent in their average hourly earnings.

The first half of 1948 witnessed a slight rise in real earnings. This rise was partially a result of the third successive campaign for increased rates of pay on the part of organized labour, but it also showed the effects of the second wage drive during 1947. The postwar years have thus far been characterized by a very regular pattern of wage increases. In each year, organized labour has pressed for higher wage rates, usually during the spring and summer. The gains obtained then became effective during the latter part of the year so that earnings have tended to rise rather rapidly in the second half of each year.

In conclusion, a comparison should be made of the gains in real earnings which wage earners in manufacturing industries have achieved since 1939 with those which occurred in the prewar years in order to give some perspective to the present real earnings position.

During the 22 years prior to 1939, the real yearly earnings of wage earners in manufacturing increased a total of 29 per cent. Throughout all of these years, this rise was a fairly steady one and averaged 1.3 per cent a year. At June 1, 1948, real weekly earnings were 27.6 per cent above their 1939 level. Thus, during the past nine years, the average annual increase in real earnings has been 3.1 per cent, almost two-and-one-half times the annual rate of increase for the preceding 22 years.

Changes in Income Taxes--

No discussion of changes in the purchasing power of any group of workers since 1939 would be complete without reference to the changes which have occurred in income tax rates for these years.

Heavy taxation of personal incomes was resorted to as a means of paying a portion of the cost of Canada's war effort. While rising taxes had their principal effect on persons at the higher income levels, nevertheless, many of those whose earnings were in the lower brackets were called on to make some contribution in the form of income tax.

In 1939, the average yearly income of all wage earners in the manufacturing industries was \$987.⁽¹⁾ Under the scale of exemptions in

(1) Annual earnings estimated from weekly earnings figure, Table 1.

effect at that time no person earning less than \$1,000. per annum was taxable.

Tax rates were successively increased until a peak was reached in 1943 and, during this time, more and more persons in the lower income groups were drawn into taxable categories. At the same time, average earnings rose considerably and many workers had reached income levels which were subject to taxation. The burden of taxation, at first, fell principally on the single worker whose tax contributions mounted rapidly, but by 1942, the tax structure had been revised so that married wage earners with only one or two or no dependents were called on to pay taxes as well.

By 1943, average yearly earnings had risen to \$1,454. and, on this amount, the single worker was liable for a tax of \$233. The married man, who could claim exemption only for a wife, was taxable to the extent of \$85., and if he had an exemption for two additional dependents, his tax was only \$23. These 1943 figures exclude the compulsory Savings, or refundable portion, so that the actual amount paid was substantially higher.

Tax reductions were granted in 1944 when the refundable portion was cancelled; a general reduction of 4 per cent was placed in effect in 1945; rates were further revised downward in 1946; and additional relief was accorded in 1947 when exemptions were raised and rates again decreased.

The average annual earnings figure for 1947 had reached a record level of \$1,672.⁽¹⁾ and, on this income, the single worker's taxes amounted to \$189. On the same income, a married worker with an exemption of \$1,500 for himself and his wife, paid only \$28.; if he had more than one dependent child, he was not taxable.

Table 2 sets forth the income tax payable by wage earners in various exemption classes at the \$1,000., \$1,500., and \$2,000. levels for the years 1939, 1943 and 1947. The figures for 1948 will be the same as those for 1947.

Table 2--Income Tax Payable for Selected Groups - 1939, 1943, 1947

(Source: Department of National Revenue, Income Tax Division)

Year	Annual Earnings (dollars)	Tax Payable - (dollars)		
		Single Dependents	Married Dependents	Married 2 Dependents
1939	1,000.	nil	nil	nil
	1,500.	18.	nil	nil
	2,000.	36.	nil	nil
1943(1)	1,000.	93.(80.)	nil	nil
	1,500.	245.(120.)	98.(98.)	24.(24.)
	2,000.	439.(160.)	229.(199.)	108.(104.)
1947	1,000.	42.	nil	nil
	1,500.	150.	nil	nil
	2,000.	266.	94.	52.

(1) Taxes exclusive of refundable portion. The compulsory savings portions, over and above the basic taxes, are shown in brackets.

How did these changes in tax rates affect real earnings?

There are no data available on the marital status of wage earners in the manufacturing industries. Hence, it would be very difficult to incorporate the effects of changes in income taxes into any general statistical average of real earnings since the tax payable varies according to the amount of exemption which can be claimed by each individual. However, for purposes of illustration, a few specific examples can be set forth.

As has been pointed out, average annual earnings for wage earners in the manufacturing industries in 1939 amounted to \$987, and no person earning at this rate was required to pay income tax. By 1943, however, average annual earnings had risen to approximately \$1,454. The highest tax which was imposed on an income of this magnitude was that which applied to a single worker with no dependents whose payments amounted to \$233.(1) leaving net earnings of \$1,221. after adjustment for income tax. If this residual is adjusted for the increase in the cost-of-living over the period from 1939 to 1943, a real income of \$1,046. remains, which is 6 per cent higher than 1939. Similar figures for married wage earners with no dependents and with two dependents are \$1,174, and \$1,126., or 18.9 and 24.2 per cent respectively, above 1939. Thus at the average rate of income, workers who could claim greater exemption than the single person were in a relatively more favourable real earnings position, after adjustment for income tax, because of the lower tax rates for these categories.

Average annual earnings for 1947 are estimated at \$1,672.

For workers with an income of this amount, real earnings for various exemption classes were as follows:

Single with no dependents—\$1,672 less tax of \$189. leaving net income of \$1,483., or a real income of \$1,106. after adjustment for increases in the cost-of-living. Real income in this case is 12.5 per cent above that for a single worker at the average annual earnings level in 1939.

Married with no dependents—\$1,672. less tax of \$28. leaving a net income of \$1,644., or a real income of \$1,231. which is 24.7 per cent above the comparable 1939 figure.

Married with two dependents—\$1,672. fully exempt from tax, thus giving a real income of \$1,253. after adjustment for cost-of-living. Real income in this case is 27.0 per cent above that of a similar worker at the average income level in 1939.

It can be seen from the foregoing that, by 1947, the average per capita income of wage earners in manufacturing had increased considerably from the 1939 level, even when allowance is made for higher tax rates. The picture for 1948 is expected to be much the same inasmuch as tax rates are unaltered and increases in the cost-of-living will be compensated for by increases in average earnings.

(1) This tax figure does not include the compulsory savings, or refundable portion.

EMPLOYMENT SERVICE ACTIVITIES

Placement activity was accelerating in all regions and this has reduced applications on file to a new low for the time of year. By the end of July, unplaced applicants had already dropped below the 100,000 mark. Clearance has become increasingly important as a means of obtaining labour. First jobbers have been regularly placed with few instances of youths unable to obtain permanent jobs.

For the first time since early February, the number of unplaced applicants was lower than in the comparative period in 1947. By July 29, the unplaced had fallen to 96,000, a drop of 3,000 from the 1947 level. Placement activity reached its peak in June when 17,000 persons per week received jobs; registrations at that time were heavy among students, first jobbers and immigrants. Thus, for the second consecutive month, the placement level exceeded that for the same period in 1947.

As labour shortages increased, more jobs were filled through the transfer of workers. Casual hirings (those of less than seven days' duration) were declining; these totalled 15 per cent of the June placements as against 19 per cent during the winter peak. Increased placements of female workers were evident, and for the third consecutive month the placement level exceeded that of 1947. Regionally, placements were holding up fairly consistently although Nova Scotia indicated a moderate loss. Attention has been directed toward the older and handicapped workers and placements were at an encouraging level. Fewer veterans were in the labour market—at the end of June only 19 per cent of the unplaced had war service as against 26 per cent at this time last year.

Since local supplies of labour have already been exhausted in many instances, the Employment Service has resorted to greater clearance to obtain additional help. Difficulties inherent in the physical moving of workers from area to area coupled with the apprehensive attitude of employers and workers toward hiring without direct contact are restricting factors at all times; nevertheless, during June, 300 workers were moved each week to jobs in other areas.

Orders for construction tradesmen have been in clearance in all regions although the general scarcity has limited the success of these attempts to obtain help. Mining labour has been successfully recruited through this means, especially in the nickel industry where labour has been transferred from Quebec and Nova Scotia and from other areas of Ontario. Gold mines in British Columbia were bringing in men from Manitoba and from other districts of British Columbia. A few heavy industries were transferring workers but only within the province.

National Employment Service has entered its active period of seasonal movements of agricultural workers which in 1947 covered the transfer of some 20,000 persons. Two of the main inter-provincial

movements have now concluded for 1948 and in both cases recruitment fell below the number requested. This was a reflection of the exceptionally good employment conditions, especially in rural areas. Just under 500 girls were recruited in the Prairies for berry picking in British Columbia. The movement of Western farmers to Ontario for haying was slow with only 850 recruited as against an order for 2,300. The order was later circulated in the Maritimes and 120 men were brought in from eastern sections of the country.

Agricultural movements across the United States border have taken place in the mid-west sections of the country while migrations are pending in eastern areas. Approximately 1,400 farmers with their combines have moved from the Canadian Prairies to the southern States. Some 7,000 men will leave Quebec shortly to aid in potato harvesting and pea vining in the state of Maine. Early in August the movement will reverse when 1,500 tobacco harvesters from the United States will enter the tobacco fields on Ontario.

The economy has again demonstrated its ability to absorb the usual inflow of high school students seeking permanent work and only in a few instances has serious difficulty been encountered in finding suitable jobs. Placement difficulties have been encountered in smaller towns with limited opportunities or with applicants who were unwilling to accept low starting wages despite the future which the job might offer. In addition, it is estimated that 125,000 students are seeking summer employment this year. Absorption of these workers has generally been good although because of the drop in sales, general clerical and unskilled factory work, high school girls met with considerable difficulty.

Claims for unemployment insurance declined rapidly during June, despite the lay-offs caused by flood conditions in British Columbia. Live claims stood at 57,000 at June 30, a drop of 15,000 from the May figure.

Table 1—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 7550B; Form UIC 745)

Series	Average Weekly		
	June 1948	May 1948	June 1947
Applications for work ^x	32,000	30,000	30,000
Vacancies notified.....	27,000	29,000	31,000
Placements.....	16,600	16,400	16,000
Women.....	4,500	4,300	4,300
Veterans.....	3,600	3,800	4,000
Handicapped.....	335	305	350
Executive and Professional	75	75	70

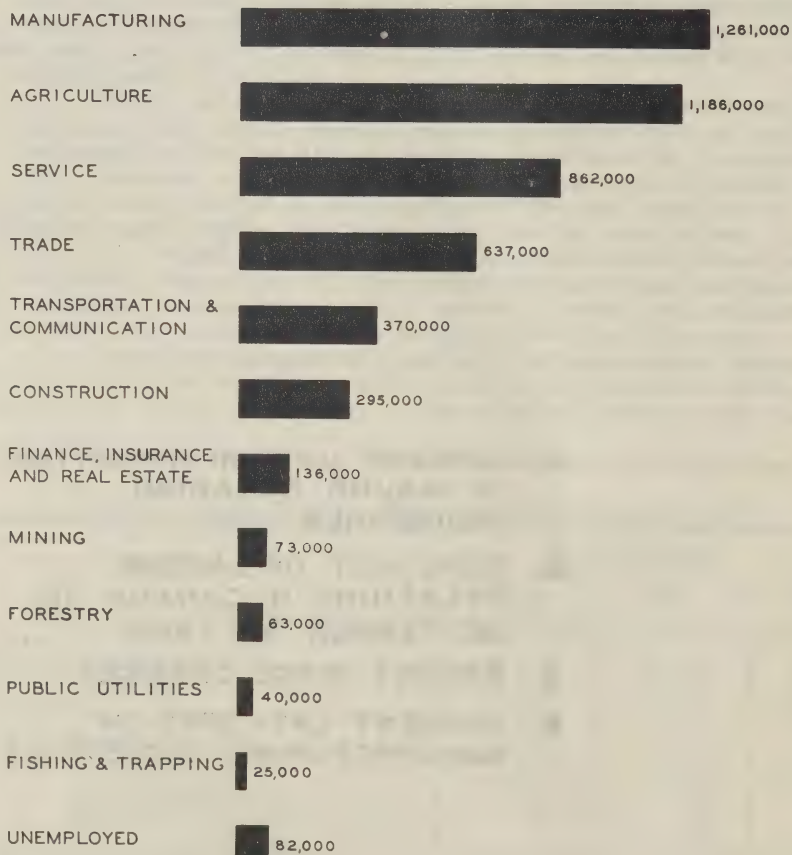
x Does not include renewals.

INDUSTRIAL ANALYSIS

- ▲ CURRENT LABOUR SITUATION
IN MAJOR CANADIAN
INDUSTRIES
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RELATIONS IN CANADA TO
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- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT JUNE 5, 1948

TOTAL LABOUR FORCE - 5,030,000



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

During July, seasonal activity was especially marked in the agriculture and construction industries, which had absorbed some 400,000 more workers since winter. Only in one major industry, logging, was there a major decline in employment. During the off-season in this industry, some 100,000 workers were diverted to other jobs, mainly agricultural.

MANUFACTURING.....

Estimated employment (August 1).....1,278,000

The employment situation in the manufacturing industries during July displayed the characteristics peculiar to the summer months. Many plants closed down for vacation periods, reducing hiring; seasonal activity in certain industries, such as vegetable packing, was beginning in some regions; the influx of high school and university students on the labour market eased the moderate labour shortage existing.

This labour shortage was reported as less extensive this summer than last. Still, unemployment was estimated at about 20,000 and many of these were registered with the National Employment Service. This agency reported a daily average of about 14,000 unfilled vacancies on their records during July in all provinces. Of this total, the largest demand was centered in the textile and clothing industry which had over 4,000 job openings. There were nearly 2,000 vacancies in food manufacturing plants and approximately 1,500 in lumber and its products. No figures were available at the time of writing on the number of persons placed in jobs during July but June was an active month with a total of 21,000 placements in manufacturing.

During July, collective bargaining negotiations were being carried on in many manufacturing industries. These resulted in several strikes, some 8,000 workers being on strike during the month. In terms of number of workers involved, this was higher than the figure for July, 1947 when about 2,500 strikers were off work. In the big strike year in 1946, however, some 32,000 employees were out on strike during the month of July.

The largest work stoppage was in St. Catharines, Ontario, where 2,600 employees of McKinnon Industries Ltd., (automobile parts) went out on July 14. This strike, which involved the United Automobile Workers Union (CIO-CCL), was still in effect at the time of writing early in August. Other large strikes involved nearly 1,100 furniture workers in six Quebec cities and about 900 textile employees in several factories in the same province.

These strikes were mainly over wage disputes and it can be expected that they will accelerate the upward trend of earnings in the

manufacturing industries. As at June 1, 1948, the average weekly salary and wage in the industry was just over \$40.00, as against the comparable figure of \$37.00 one year previously.

AGRICULTURE.....

Estimated employment (August 1).....1,300,000

With the approaching peak of seasonal activity, the labour market in agriculture was quite active during July. Of the total labour force during the harvest season, some 450,000 are unpaid family workers and nearly 175,000 are paid employees. The remainder are own-account workers and employers. The increase in employment during the summer season is in the neighbourhood of 300,000 of which nearly 150,000 are in the "unpaid family worker" group and possibly 100,000 in the "paid worker" category.

On the whole, the supply of agricultural labour during July was reported as more satisfactory than in the previous postwar years. As usual, much of the labour demand was satisfied by transient, temporary and student labour. The annual interchange of harvesters between the East and West was being carried out again. Some 800 Westerners and 200 Maritimers helped out in Ontario during June and July. For the Western harvest, it was reported that fewer harvesters may be needed this year than formerly since the demand will be spread out over several weeks. From Manitoba, some 91 combines made the trip to the States this year in response to a last-minute call.

Generally, the supply of agricultural labour on the West Coast was sufficient to meet all demands during July. Jobs were plentiful in most areas, except in the interior fruit belt where a lull occurred in harvesting operations. Some 450 girls were brought from the Prairies for berry picking and these will later be transferred to fruit packing plants and canneries.

The demand for labour continued strong as crop prospects across Canada appeared good. The sixth of a series of eight telegraphic crop reports issued by the Dominion Bureau of Statistics, as at August 10, reported a generally favourable outlook for all provinces. Improvement was shown in both Saskatchewan and Alberta, where crops had been hard hit by early drought conditions and early germination. In the East, haying was completed in most areas and yields of fall wheat and rye were reported as at least average. Specialized crops-tobacco, corn, potatoes, beans-indicated satisfactory yields.

CONSTRUCTION.....

Estimated employment (August 1).....325,000

During 1948, the Canadian construction industry has provided employment for more workers than ever before in its history. Employment in this industry during July was estimated at nearly 325,000, with the peak still not reached. During 1947, the high point in employment was reached in November at about 285,000.

The labour force should continue to stay above 1947 levels during the last half of 1948 since the value of contracts awarded, a fairly good indicator of the future trend of construction activity, continues at record

levels. For the first seven months, the total figure was \$572,800,000, an increase of 42 per cent over the same period in 1947. Much of this increase is due to higher prices for labour and materials. During July, the cost of construction was estimated at 88 per cent above the 1935-9 average, as against 69 per cent one year before.

A large part of this increase in costs has been due to rising wage rates. In the four largest cities in Canada-Montreal, Toronto, Winnipeg and Vancouver-wage rates show the following ranges in the more important occupations:

Table I—Hourly Rates in the Canadian Construction Industry

(Source: Engineering and Contracts, July, 1948.)

Occupation	Rate per hour
Bricklayers.....	\$1.40-\$1.75
Carpenters.....	\$1.25-\$1.50
Electricians.....	\$1.35-\$1.65
Labourers (common).....	.80-.90
Labourers (skilled).....	.85-\$1.00
Painters.....	\$1.10-\$1.44
Plasterers.....	\$1.40-\$1.80
Plumbers.....	\$1.11-\$1.60

MINING.....

Estimated employment (August 1).....73,000

The shortage of labour in this industry has been less marked during 1948 than in the previous year. However, at August 1, the National Employment Service reported there were over 1,600 unfilled vacancies in the industry. About 1,000 of these were distributed equally between gold mining and nickel mining. Coal mines and non-metallic mines reported a need for some 300 additional workers in each industry. Placements by the National Employment Service during June numbered 2,000; a great many of those were the result of clearance procedure.

D.P's are still being added to the labour force in considerable numbers. Up to the first of July, 1,881 had arrived to work in Canadian metal mines. The total number of approved applications received from the mines is 2,258. No coal miners have been brought out since they are apparently non-existent in the camps in Europe.

During July, only two strikes were reported in the industry. One was the strike of coal miners in the Edmonton area. At the first of the month, some 160 miners in 9 companies were out but by the first week in August, the number still on strike had been reduced to 51 workers in 3 mines. The other was at Premier, B.C. where the Silbak-Premier Mines have closed down because of inability to meet the union's wage demands.

During the last half of 1948, employment in the mining industry is expected to increase slightly. In metal mines, employers' reports received by the Department of Labour indicate that the labour force will be 7 per cent above the previous year by January 1, 1949. In coal mining, the increase during the year is placed at 2.5 per cent. Employment in gold mines is now over 23,000, despite the squeeze between fixed price and advancing costs; the 1945 low was 14,000

FORECAST OF LABOUR RELATIONS IN CANADA TO SEPTEMBER 30, 1948

Several portentous wage increases have already been negotiated, notably in the railway, pulp and paper and automobile manufacturing industries, as well as in some parts of the rubber industry. Wage negotiations are expected to reach a climax during the forecast period in logging, gold mining, meat-packing and the manufacturing of electrical goods. For the most part, these are expected to be settled without strike action.

Any forecast of labour relations in Canada must of necessity be based on those industries wherein some form of labour organization has been effected. In the primary industries, these include some sections of logging, fishing and mining, but exclude agriculture and trapping. There is a high degree of labour organization in nearly every phase of manufacturing, as well as in construction and railway transportation. Workers in trade and service occupations are relatively unorganized.

As collective agreements come up for renewal, the trend in recent months has been for management to grant fairly substantial wage increases in response to the demands of organized labour which are based principally upon the continued rise in the cost of living. There are indications that this trend will continue in the forecast period, but strike action looms in several cases where management has decided to resist the demands for substantial wage increases.

The following summary includes forecasts of labour relations until September 30, 1948, for each major industry where labour is organized.

Logging

Difficulties may arise during the forecast period in both British Columbia and Northwestern Ontario, the only two regions where loggers are highly organized. Negotiations are already in process in British Columbia between employers and the International Woodworkers of America, and with wage increases as the principal issue, there is a distinct possibility the negotiations will not be concluded without a work stoppage.

Fishing

Since agreements have been recently signed covering fishermen on the Pacific coast, no trouble is expected in that section of the industry. On the Atlantic coast, although the Canadian Fishermen's Union is continuing an active organizing campaign, no strike is directly foreseen.

Mining and Smelting

(a) Coal - No major interruptions of production during the forecast period are likely in the major coal fields of Alberta, British Columbia, Nova Scotia and New Brunswick. Only a few miners still remain on strike in the Edmonton area. The only danger spot in the coming months is in the Estevan-Bienfait area in Southern Saskatchewan, where a dispute between operators and workers has already been referred to a Conciliation Board appointed by the Provincial government.

(b) Metal - No major work stoppages are anticipated in any branch of the metal mining industry other than gold mining during the forecast period. In British Columbia, disputes between the gold mines and the union have been referred to conciliation procedures. In the hardrock mining area of Northern Ontario, some difficulties may be experienced at any time.

(c) Other non-metallic - No major stoppages are anticipated.

Manufacturing

(a) Animal foods - Labour relations are expected to remain smooth in the dairy products and fish processing branches of this industry, but trouble looms in the meat-packing industry. The collective agreements between the United Packinghouse Workers of America and the three large meat-packing concerns terminated on August 1. With the unions demanding a substantial wage increase, there is a definite possibility of a strike in the near future. However, this may be discounted to some extent by the failure of the recent strike conducted by the same union in the United States, and by the fact that union funds are still depleted from the lengthy strike which took place in this country last year.

(b) Vegetable foods - No major work stoppages are anticipated in the canning and bakery industries during the forecast period.

(c) Metal Products - With new collective agreements recently signed in the three basic steel companies and in the three large automobile manufacturing concerns, attention will now be focussed on industry-wide bargaining in the electrical goods manufacturing industry. The union concerned has already issued wage demands to the larger companies. Labour relations in this field are delicate; a strike has been in progress in the union, others may materialize during the forecast period.

Wage negotiations are currently in progress at Anaconda Brass Ltd., New Toronto, and it is expected that a settlement will be reached without strike action.

Elsewhere in the metal products manufacturing industry, isolated work stoppages have occurred and still others may occur during the forecast period in machine shops, foundries, fabrication and processing plants.

- (d) Tobacco and liquor - No major stoppages anticipated.
- (e) Leather boots and shoes - Labour relations are expected to remain amicable.
- (f) Fur, other leather, etc. - No difficulties are foreseen.
- (g) Textiles and clothing - Labour-management relations in the garment industry in the metropolitan centres are very good. Forecasting is difficult in the textile manufacturing industry, but it is reported that a large number of the major concerns have negotiated agreements for the current year. Trouble between the two rival textile unions has arisen in one or two factories, but these are isolated cases.
- (h) Pulp and paper - New collective agreements have recently been concluded in this industry throughout the country and labour-management relations will undoubtedly continue on their present untroubled plane.
- (i) Printing and publishing - Aside from the lengthy strike being waged by the International Typographical Union against the Southam papers, which shows no signs of settlement, no other disturbances are likely.
- (j) Shipbuilding - No major work stoppages are expected in Ontario, Quebec and Nova Scotia but collective agreements will expire in the shipyards on the Pacific coast in August and September and some difficulty may be experienced.
- (k) Chemicals, etc. - No difficulties are foreseen in labour relations.
- (l) Rubber products - The threat of widespread strike action in the rubber industry in Ontario has been removed with the recent conclusion of agreements between the United Rubber Workers of America and most of the major rubber producing companies. Settlement has yet to be reached only in the Goodrich and Gutta Percha companies. No disturbances are anticipated in the province of Quebec.

Construction

There is a possibility of strike action by certain building trades unions in Toronto and other Ontario centres and in Saint John and Moncton, N.B. Elsewhere in Canada, no difficulties are anticipated with construction workers.

Transportation and Public Utilities

- (a) Steam railways - With settlement of the recent wage dispute involving the major Canadian railways, no labour-management problems are expected to arise during the forecast period.

(b) Water - In inland shipping, most of the companies have renewed agreements with the unions representing their licensed and un-licensed personnel, but a serious situation has arisen in connection with the jurisdictional dispute between the Canadian Seamen's Union and Canada Steamships Lines Ltd., Colonial Steamships Ltd., Sarnia Steamships Ltd., Northwest Steamships Ltd., and Transit Tankers and Terminals Ltd. Industrial Disputes Inquiry Commissioners appointed by the Minister of Labour have been unable to settle the dispute, and no compromise between the companies and union is anticipated during the forecast period.

No difficulties are expected in coastal shipping or long-shoring.

(c) Electric railways and bus lines - Employees of the Montreal Tramways company are in the process of negotiating a new agreement with the company and this quite possibly will be concluded during the forecast period. Some difficulties may be experienced by the street railways at Regina and Saskatoon and by several bus companies in the Maritime provinces.

(d) Trucking - No major stoppages are anticipated in this industry.

(e) Elevators and storage plants - A satisfactory settlement of the wage dispute between employees and operators of the terminal elevator companies at the Lakehead will likely be effected before the end of the forecast period. Elsewhere in Canada, no major difficulties are expected.

(f) Air - The dispute between Trans-Canada Air Lines and its domestic and trans-oceanic pilots which is now being negotiated, is not expected to develop into a work stoppage.

(g) Telegraphs and telephones - No major stoppages are anticipated.

(h) Electricity and gas - No labour troubles are foreseen.

RECENT WAGE CHANGES

The wage change announcements which appear in the following table were made during the latter part of June and the month of July. ⁽¹⁾ They affected some 240,400 persons; 225,500 of these were centred in four industrial groups. The increases granted to hourly rated workers ranged from 5 to 17 cents per hour; 85 per cent were for 10 cents or more per hour.

By far the most momentous wage increase during July was that granted to nearly 200,000 employees of four large steam railway companies. The unions concerned had been holding out for some months for a 35 cent hourly increase but had settled for 17 cents. This group made up 91 per cent of the number of workers receiving gains of 10 cents or more per hour.

In the automobile and parts division, the most important gains were those at Ford and General Motors; in the electrical apparatus group, the increases granted in the Canadian General Electric plants were the most outstanding. These wage changes will likely set the pattern for the other companies in these industries.

British Columbia fishing concerns have agreed on new wage scales which will affect both their fishing fleets and food processing plants.

During the month more than 1,200 persons received wage increases through strike action as compared with 400 reported in June. Strikes in two automobile parts plants resulted in a substantial number of workers being laid off in the automobile industry. The return to work at 5 coal mining centres left only 80 persons out on strike in the Edmonton area. Settlement was reached on the basis of a \$1.40 per day increase plus 2 cents per ton to the welfare fund, as compared with \$2.00 per day and 2 cents to the welfare fund in the other mines in the province and Crows Nest district and \$1.70 on Vancouver Island.

Negotiations for new wage scales were continuing among Ontario gold miners, British Columbia lumbermen and workers in meat packing companies. The notice of intention to cancel their present agreement by Swift Canadian Co., is causing tension in the latter industry.

(1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices, and Employment Forecast Survey reports. The average hourly earnings quoted in the following tables are as at May 1, 1948, as published by the Dominion Bureau of Statistics.

WAGE INCREASE ANNOUNCEMENT JULY, 1948

Industry and Firm	Amount	Date Effective	Number Affected
<u>MINING</u> (Av. hr. earnings 111.1¢)			
<u>Coal Mining:</u> (Av.hr.earnings 126.2¢)			
Red Hot Coal Ltd., Forest Heights, Alta.	\$1.40 per day	July 5/48	30
Great West Coal Co., Clover Bar, Alta.	"	"	130
Beverly Coal Ltd., Beverly, Alta.	"	"	65
Riverdale Coal Co. Ltd., Namao, Alta.	"	"	50
Edmonton Collieries Ltd., "	"	"	40
<u>Metallic Ores:</u> (Av.hr.earnings 108.1¢)			
Silbak Premier, Premier, B.C.	\$1 per day	July 1/48	200
Lamaque Mining Co. Bourlamaque, P.Q.	5¢ per hour	"	250
Segina Mines, Bourlamaque, P.Q.	"	"	235
Stadacona Mines Ltd., Rouyn, P.Q.	"	"	145
O'Brien Gold Mines, Kewagama, P.Q.	"	"	160
Perron Gold Mines, Perron, P.Q.	"	"	90
Senator-Rouyn Mines Ltd., Rouyn, P.Q.	"	"	130
New Marlon Mines Ltd., Noranda, P.Q.	"	"	100
East Sullivan, Sullivan, P.Q.	"	"	70
Waite-Amulet Mines Ltd., Rouyn, P.Q.	9 & 10¢	"	240
Powell-Rouyn Gold Mines Ltd., Noranda, P.Q.	"	"	90
Queмонт Mining Corp., Noranda, P.Q.	"	"	140
<u>FISHING</u>			
British Columbia Salmon Fishing Fleet personnel	3¢ per pound	June 26/48	7,300
British Columbia Tendermen	\$30 per month	Apr.16/48	600
with Anglo-British Columbia Packing Co. Ltd.,			
British Columbia Packers Ltd.,			
The Canadian Fishing Co. Ltd.,			
Cassiar Packing Co. Ltd.,			
Colonial Packers Ltd.,			
Fraser Valley Cannery Ltd.,			
Great West Packing Co. Ltd.,			
Johnson Fishing & Packing Co. Ltd.,			
Francis Millers & Co. Ltd.			
National Fisheries Ltd.,			
North Shore Packing Co. Ltd.,			
Nelson Brothers Fisheries Ltd.,			
Queen Charlotte Fisheries Ltd.,			
J.H. Todd & Sons Ltd.,			
<u>MANUFACTURING</u> (Av.hr.earnings 89.4¢)			
<u>Animal Products, Edible:</u> (Av.hr.earnings 86.6¢)			

WAGE INCREASE ANNOUNCEMENT JULY, 1948 (Cont'd)

Industry and Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Av.hr.earnings 89.4¢) Cont'd			
With same B.C.Fishing Companies as Listed under Fishing			
Cannery Workers Whitemen	\$15-\$20 per month	Apr. 16/48	1,850
Women	10¢ per hour	"	1,450
Chinese	10-12¢ per hour	"	850
Reduction Plant Workers	\$20 per month	May 16/48	260
Networkers	10-17¢ per hour	Apr.16/48	150
<u>Rough & Dressed Lumber:</u> (Av.hr.earnings 86.9¢)			
E.J. Maxwell Co. Montreal, P.Q.	5¢ per hour	July 8/48	60
Revelstoke Sawmill, Calgary, Alta.	10¢ per hour	July 1/48	70
<u>Furniture:</u> (Av.hr.earnings 77.3¢)			
Rutherford Co. Montreal, P.Q.	\$2.50 per week	May 1/48	130
<u>Pulp & Paper:</u> (Av.hr.earnings 101.0¢)			
Price Brothers, Chicoutimi, P.Q.			
Mechanics	9¢ per hour	July 1/48	50
Abitibi Power & Paper Co.Sault Ste. Marie, Ont.			
Office staff	10% & 11%	May 1/48	40
<u>Paper Products:</u> (Av.hr.earnings 78.3¢)			
Sydney Roofing & Paper Co.Ltd.Victoria, B.C.	10¢ per hour	July 1/48	275
<u>Rubber Products:</u> (Av.hr.earnings 96.2¢)			
Firestone Tire & Rubber Co.of Can.Ltd., Hamilton, Ont.	10¢ per hour	July 1/48	900
Day workers	9¢ per hour	"	
Pieceworkers			
Dunlop Tire & Rubber Goods Co.Ltd., Toronto, Ont.	5¢ per hour	Jan.25/48	1,276
Toronto, Ont.	10¢ per hour	May 16/48	
Donahue Corp. of Can.Ltd., St.Hyacinthe, P.Q.	20%	May 31/48	135
<u>Woollen Yarn & Cloth:</u> (Av.hr.earnings 70.6¢)			
Rosemond Woollen Co.Ltd.Almonte, Ont.	10¢ per hour	July 22/48	250
Thoburn Woollen Mills, Almonte, Ont.	"	"	50
Wm. Collie & Son, Appleton, Ont.	"	"	100
<u>Silk & Artificial Silk Goods:</u> (Av.hr.earnings 71.1¢)			
Courtaulds (Can.)Ltd.,Cornwall, Ont.	5-10¢ per hour	July 1/48	1,700

WAGE INCREASE ANNOUNCEMENT JULY, 1948 (Cont'd)

Industry & Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING</u> (Cont'd)			
<u>Garments & Personal Furnishings:</u> (Av.hr. earnings 70.5¢)			
Sweetheart Sportswear, Montreal, P.Q.	10%	Aug. 15/48	50
Joyce Childrens' Wear, "	"	"	50
<u>Chemicals & Allied Products:</u> (Av.hr. earnings 90.2¢)			
National Research Council, Chalk River Project	10¢ per hour	May 1/48	600
Dominion Tar & Chemical Co. Toronto, Ont.	12¢ per hour	July 1/48	90
Calgary, Alta.	15-17¢ per hour	"	130
<u>Drugs & Medicines:</u> (Av.hr. earnings 75.1¢)			
Parke Davis & Co., Windsor, Ont.	8¢ per hour	June 16/48	150
<u>Glass Products:</u> (Av.hr. earnings 82.6¢)			
American Optical Co. Nicolet, P.Q.	5-7¢ per hour	June 28/48	250
<u>Electrical Apparatus:</u> (Av.hr. earnings 97.6¢)			
Langley Electrical Mfg. Co. Ltd., Winnipeg, Man.	5¢ per hour	June 7/48	50
Canadian General Electric Co. Ltd.			
Edison Lamp Works, Toronto, Ont.	13¢ per hour	July 15/48	1,080
Davenport Works, Toronto, Ont.	"	"	1,435
Ward Street Works, Toronto, Ont.	"	"	630
Royce Works, Toronto, Ont.	"	"	600
Plant at Cobourg, Ont.	"	"	100
Plant at Peterborough, Ont.	"	"	4,030
Willard Storage Battery Co. of Can. Ltd., Toronto, Ont.	9¢ per hour	July 5/48	190
Exide Batteries of Can. Ltd., Toronto, Ont.	"	"	165
Stark Electronic Instruments Ltd., Toronto, Ont.	5-12¢ per. hour	June 25/48	15
<u>Primary Iron & Steel:</u> (Av.hr. earnings 106.1¢)			
Algoma Steel Corp. Ltd. Sault Ste. Marie, Ont. Masons, Plasterers & Bricklayers	20¢ per hour	May 1/48	30
<u>Agricultural Implements:</u> (Av.hr. earnings 108.9¢)			
Desjardins Ltd., St. Andre de Kamouraska, P.Q.	5¢ per hour	July 9/48	80

WAGE INCREASE ANNOUNCEMENT JULY, 1948 (Cont'd)

Industry & Firm	Amount	Date Effective	Number Affected
<u>MANUFACTURING: (Cont'd)</u>			
<u>Railway Rolling Stock:</u> (Av.hr.earnings 97.3¢) Montreal Locomotive Works Ltd.Montreal, P.Q.	14¢ per hour	July 12/48	710
<u>Automobiles & Parts:</u> (Av.hr.earnings 112.7¢) Canadian Automotive Trim Ltd.Windsor, Ont. General Motors of Can.Ltd., Oshawa, " Windsor, " Ford Motor Co.of Canada Ltd., Windsor, " Toronto, " Winnipeg, Man. Vancouver, B.C.	7-16¢ per hour 9¢ per hour " 9¢ " " " "	June 5/48 July 20/48 " July 24/48 " " "	400 4,760 480 11,000 1,100 150 60
Skinner Co. Ltd., Oshawa, Ont.	12¢ per hour	July 23/48	200
<u>Aeroplanes & Parts:</u> (Av.hr.earnings 95.9¢) MacDonald Bros. Aircraft Ltd., Winnipeg, Man. Machinists	4-7¢ per hour	July 2/48	160
<u>Iron & Steel Fabrication:</u> (Av.hr.earnings 96.6¢) Dominion Forge & Stamping Co.Ltd., Walkerville, Ont.	12¢ per hour	July 19/48	350
<u>Foundry & Machine Shop Prod.:</u> (Av.hr.earnings 97.9¢) Bradley Machine Co. Ltd., Brantford, Ont.	5-10¢ per hour	July 1/48	30
<u>Sheet Metal Work:</u> (Av.hr.earnings 91.2¢) American Can. Co., Montreal, P.Q. Westeel Prod. Ltd., St. Boniface, Man. Canadian Rogers Western Ltd.Winnipeg, Man. Quality Steels Ltd., London, Ont.	10½¢ per hour 8¢ per hour 10¢ 10¢ per hour	July 9/48 July 3/48 June 1/48 July 15/48	700 300 55 180
<u>Preparation of Non-ferrous Metallic Ores:</u> (Av.hr.earnings 102.9¢) Hudson Bay Mining & Smelting Co.Ltd., Flin Flon, Man.	5¢ per hour	July 21/48	2,450
<u>ELECTRICITY</u>			
Shawinigan Water & Power Co., Shawinigan, P.Q.	\$1.25-\$3.25 per wk.	July 1/48	250

WAGE INCREASE ANNOUNCEMENT JULY, 1948 (Cont'd)

Industry & Firm	Amount	Date Effective	Number Affected
<u>TRANSPORTATION</u>			
<u>Local:</u> (Av.hr.earnings 92.2¢)			
Grey Bus Lines Ltd., Moncton, N.B.	5¢ per hour	June 14/48	65
Oshawa Bus Drivers	17¢ "	Mar. 1/48	70
<u>Steam Railways</u>			
Canadian Pacific Railway & Subsidiaries	17¢ per hour	Mar. 1/48	74,700
Canadian National Railway & Subsidiaries	"	"	109,300
Ontario Northland Railway	"	"	1,800
Toronto, Hamilton & Buffalo Railway	"	"	800
Alma-Jonquiere Railway	7 1/2%	July 1/48	50
<u>Water</u>			
Diamond Steamship Co., Owen Sound, Ont.	\$25. per month	June 30/48	30
<u>CONSTRUCTION</u>			
<u>Buildings:</u> (Av.hr.earnings 98.6¢)			
Angus-Robertson Ltd., Lachute			
Mills, P.Q., Carpenters	10¢ per hour	June 15/48	50
Labourers	7¢ "	"	
Saskatoon Sask., Carpenters	12¢ "	"	350
<u>TRADE</u>			
Marshall Wells (B.C.) Ltd., Vancouver, B.C.	17¢ per hour	Jan. 12/48	100
Master Bakers Association, Calgary, Alta.	\$6.50 per wk.	July 1/48	300

CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Approximately 6,620 workers were affected by lay-offs during July - an increase of 11 per cent over the 5,929 reported during June. Shortages of materials accounted for 71 per cent of the total lay-offs during July, with the automobile manufacturing industry most severely affected. Shortages of orders accounted for 20 per cent of the lay-offs; many of these were in the radio and rubber footwear manufacturing industries.

With industry steadily expanding and striving to overhaul the backlog of orders accumulated during the war and post-war years, the number of workers affected by lay-offs remains small. During the month of July, the number stood at 6,620, an increase of 11 per cent when compared with the previous month's figure of 5,929.⁽¹⁾

The chief cause of July lay-offs was shortage of materials which accounted for 71 per cent of the total. Twenty-one per cent of the workers were laid off because of shortage of orders, 1 per cent for seasonal reasons, and 8 per cent for various other causes.

The industry most severely affected by material shortages was the automobile industry where, due to strikes in plants supplying component parts, 4,650 employees were out of work. While these lay-offs were of a temporary nature, when coupled with the annual two week vacation period, the time loss was considerable.

Shortage of orders has resulted in some lay-offs as supplies of certain goods have exceeded domestic demand, but, for the most part, these are of a temporary nature. Rubber footwear manufacturers, with many export markets closed due to the dollar shortage, have found it necessary to curtail production and, during the last few months, have been forced to lay off workers. These lay-offs reached a peak of 677 in July. Radio manufacturers were in a similar position with warehouses overstocked due to high prices and buyers' resistance.

In the last three months, lay-offs have remained at a fairly constant level, with the only major changes occurring in the transportation equipment industry during May and July and in the woods products industry during June. Lay-offs in the former industry were caused in both cases by material shortages and in the latter industry by abnormal conditions in the B.C. area.

(1) Statistical data on lay-offs has been compiled from information obtained from National Employment Service office reports. The information is not necessarily complete but does include data on all major lay-offs.

Table I—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause.

Cause of Lay-off	May, 1948		June, 1948		July, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders	1,786	29.9	1,246	21.0	1,377	20.8
Shortage of Materials ...	3,732	62.5	91	1.5	4,701	71.0
Seasonal	62	1.0	150	2.5	45	0.7
Other Causes	390	6.6	4,442	75.0	497	7.5
Total	5,970	100.0	5,929	100.0	6,620	100.0

Table 2—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry.

Industry	May, 1948		June, 1948		July, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages	-	-	25	0.4	62	0.9
Tobacco Products	-	-	-	-	-	-
Rubber Products	100	1.7	230	3.9	677	10.2
Leather Products	42	0.7	35	0.6	-	-
Textile Products	33	0.6	297	5.0	100	1.5
Clothing	323	5.4	240	4.1	65	1.0
Wood Products	408	6.8	4,105	69.2	130	2.0
Paper Products	60	1.0	78	1.3	12	0.2
Iron and Steel	594	10.0	95	1.6	149	2.3
Transportation Equipment	4,161	69.7	211	3.6	5,315	80.3
Non-Ferrous Metals	-	-	358	6.0	35	0.5
Electrical Apparatus	151	2.5	249	4.2	65	1.0
Non-Metallic Mineral Products	-	-	-	-	10	0.1
Chemical Products	44	0.7	6	0.1	-	-
Miscellaneous	54	0.9	-	-	-	-
Total	5,970	100.0	5,929	100.0	6,620	100.0

REGIONAL ANALYSIS

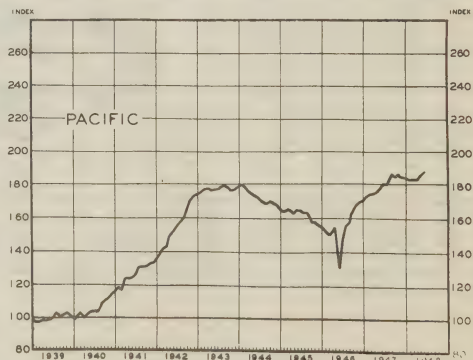
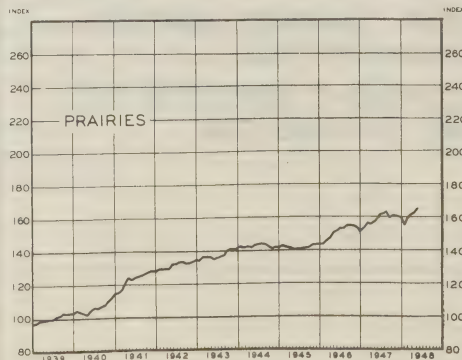
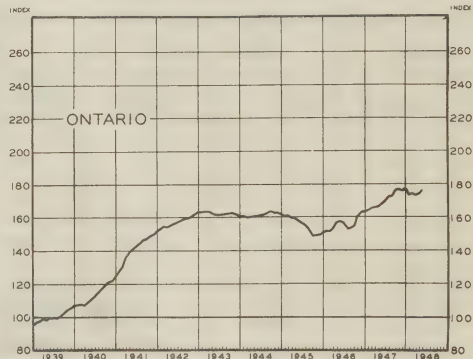
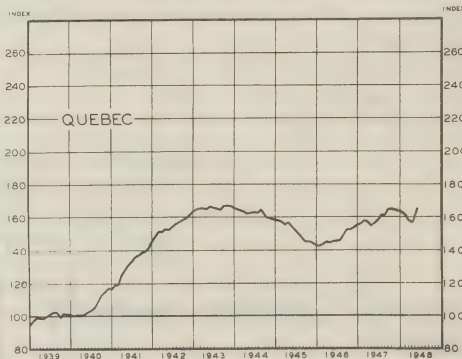
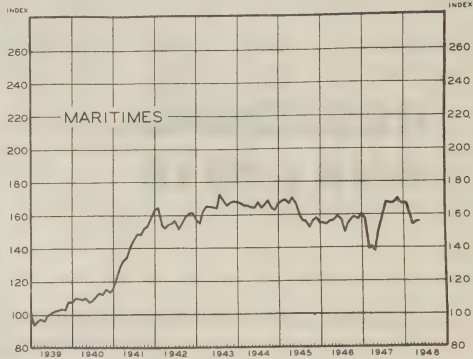
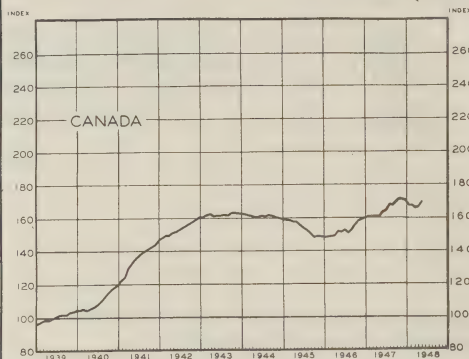
- ▲ REGIONAL LABOUR MARKET
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PLANT EXPANSION

REGIONAL EMPLOYMENT TRENDS

SEASONALLY ADJUSTED

FROM 1939 TO 1947

(AVERAGE - 1939 = 100)



REGIONAL LABOUR MARKET SUMMARY

By the end of July, full employment and labour shortages were evident in most Canadian centres. Hiring in manufacturing was temporarily curtailed by vacation shut-downs, but an increased demand for labour was noted when plants reopened. The construction and agricultural industries were both exceedingly active during July. Labour shortages were prevalent, although D.P. workers helped to fill farm labour needs.

The Maritimes

During July, employment conditions in the Maritime region continued to improve as construction work in Nova Scotia fell in line with the high level of activity in New Brunswick. The commencement of the hay harvest and keen activity in the fishing industry, were two other major factors affecting employment during the month.

The number of unplaced applicants declined from 15,250 at July 1, to 12,740 at the end of the month. Employment in New Brunswick was rapidly reaching a peak with most able bodied men securing at least seasonal employment. Areas of chronic labour surplus were still numerous in Nova Scotia, but employment improvement was expected as hiring continued in construction.

Bumper hay crops were reported in the Maritime region and harvest operations were well underway. Except in Prince Edward Island, no labour shortage has developed. In Nova Scotia, in particular, there was a surplus of rural labour; consequently, part-time agricultural employment for urban workers during July was limited.

Fishermen for the most part were very active during the month. In the Saint John area, an excellent salmon run provided employment for many long-shoremen who otherwise would have been unemployed. Fish packing plants were operating at capacity but because of the low wage rates, staffs consisted mostly of youths and women. The logging industry, particularly in New Brunswick, had a steady demand for labour, but applicants did not appear anxious to accept this type of work in the summer months. Fruit processing plants in the Annapolis Valley were late in the opening because of rainy weather but were expected to hire workers in August.

Hiring activity in the major iron and steel, and coal mining industries remained very light during July, largely because of plant closures for a holiday period. Most plants in Trenton closed down during the last week in July; coal mines in the Sydney area will close down for the first two weeks in August.

The construction industry remained the centre of hiring activity in July. Construction work continued steadily in New Brunswick, was accelerated somewhat in Nova Scotia, while on Prince Edward Island,

activity was spotty with surplus carpenters being transferred to busier centres. Shortages of skilled and unskilled workers were prevalent in New Brunswick; nearly all skilled construction workers were employed in Nova Scotia for the first time this year, but a surplus of unskilled workers was still apparent.

Quebec

During July, employment conditions continued to improve, although at a more moderate rate than in the previous month. Many plant closures because of holidays greatly curtailed hiring in the manufacturing industry. Consequently, hiring activity during the month was centred in the seasonally active industries such as construction and agriculture.

There were 29,000 unplaced applicants in the Quebec region at July 1, compared to 25,400 at the end of the month. The net monthly decrease in the number of unplaced applicants was 3,600 in July, 5,400 in June, and 11,200 in May. Thus, although employment conditions were very good, the decline in the number of unplaced applicants was affected both by the large number of students and first jobbers in June, which had entered the labour market, and by the holiday period during July, when hirings were curtailed.

Hay harvesting was general in the Quebec region during July and, while additional help undoubtedly could have been used, no critical shortages of farm labour have appeared. Crop conditions are promising although the month of July was very dry. Approximately 9 000 workers were sent to the state of Maine for the potato harvest. Logging drives were slackening off but many of their workers were being absorbed in the active construction industry. There was still not enough available mine labour to meet demand although Displaced Persons have helped to increase the supply.

A large number of manufacturing plants were closed down for holidays during July and, consequently, hiring activity was temporarily curtailed. During the month, Canadair Limited secured a contract from the British Overseas Airways Corporation for 22 aircraft and the result will mean a gradual increase in employment of some 6,000 workers in about a year's time.

Construction activity in July was such that virtually all skilled men were employed. In many areas the supply of capable unskilled labour was short.

Ontario

During July, employment reached record levels in the Ontario region with all available workers holding jobs in most areas. Labour demand is expected to increase still further when the manufacturing holiday period ends, generally about the middle of August. Manufacturing labour requirements were necessarily curtailed during the latter part of July because of the vacation shut-downs, but demand in the construction and agricultural industries remained high, and many plant workers accepted such

alternative employment during their vacations.

There were as few as 25,874 unplaced applicants registered with employment offices in Ontario at the end of July; this number was considerably less than at the same time last year. By the end of the month, most of the men seeking jobs were marginal workers, who, because of age or physical condition, were incapable of filling current job openings. Excellent employment conditions, nevertheless, have facilitated the placement of older men and handicapped personnel, and job placements in this group are expected to increase.

The heavy demand for farm labour throughout the region during June eased off considerably during July, largely because of the influx of D.P. workers. The need for steady labour has been fairly well met and most of the remaining demand at the end of the month was for short term harvest help. In general, agricultural conditions throughout the province have been excellent. The hay harvest has been almost completed and a large acreage of grain has been cut. However, the tobacco and fruit crop in Elgin county was severely damaged by a heavy hail storm at the end of July, and in the affected area, demand for labour in the tobacco industry was reduced to skilled help.

The canning industry began its active season during July with a high rate of hiring throughout the month. For the canning plants, at New Toronto alone, it is estimated 1,000 men and women will be required to handle the tomato crop.

Employment in the automobile manufacturing industry suffered some set-backs during July when strikes in feeder plants caused decreased production in Windsor, and a complete shut-down at Oshawa. By the end of the month, employment at Windsor was picking up, but with the McKimion Industries Ltd. plant still on strike, the General Motors Ltd. plant had not re-opened when workers returned from holidays on August 10. Many manufacturing plants re-opening after holidays have had a brisk demand for labour, with the exception of the radio, rubber, and leather manufacturing industries.

The Prairies

During July, employment conditions in the Prairie region showed still more improvement over the very high level attained in June. In all principal districts most able-bodied men could secure at least seasonal employment.

There were 14,000 unplaced applicants registered with Employment Offices in the Prairie region at the end of July, 1948, compared with 16,000 at the same time in 1947. Except during the flood period, employment conditions this year constantly have shown marked improvement over 1947.

The demand for harvest workers increased the need for agricultural labour during July, but there were no acute labour shortages. In Alberta, D.P. workers have helped greatly in easing labour shortages. The movement of hayers to Ontario showed a slight increase during July but the total movement this year was

less than last year because of excellent employment opportunities in the Prairie region.

Crop prospects in Manitoba continued favourable. In Saskatchewan, prospects were favourable in eastern, east-central, and north-central districts, but elsewhere crop conditions ranged from poor to fair. Crops prospects were fair to good in most Alberta districts, although grasshopper damage was severe in a twenty mile strip running from Nobelford to Medicine Hat.

Activity in the construction industry reached a peak in many districts during July. With nearly all skilled and unskilled construction workers in the region employed, shortages of labour still persisted.

Since more plants have adopted the practice of closing down entirely for the holiday period, hiring was limited in iron and steel manufacturing. Meat-packing, always seasonally low at this time of year, was curtailed even more when the threatened railway strike and the rumoured removal of the export ban on cattle to the States held back livestock deliveries. Canning plants in market gardening districts commenced operations during the month, and because of the excellent crops, a lengthy canning season is foreseen.

The larger coal mining centres were very active, although in some cases lack of housing curtailed hiring activity and in others, a shortage of labour prevailed. Strip mining operations, which require fewer workers, were rapidly increasing in scope. Retail sales in some districts reflected the usual holiday period slump and the tourist trade was slower than expected.

British Columbia

During July, employment in the Pacific region gradually recovered from the effects of the flood and regained its normal level for the time of year. By the end of the month, the agricultural, construction, logging, mining and transportation industries were all operating at capacity. Manufacturing activity was less active, and except for shipbuilding, which continued to weaken, showed little change during the month.

The number of unplaced applicants in the region showed a net monthly decrease of 3,800 in July, compared to 1,250 in June and 2,400 in May. There were about 4,100 more unplaced applicants at the end of July, 1948, than at the same time in 1947 but, in view of the constant influx of outsiders into the region, this increase is not portentous.

Cooler weather during July lessened the fire hazard, and logging and lumbering industries worked at full capacity. Both skilled logging and sawmill workers were in short supply. Despite a considerable loss in production during May and June because of floods, the year's cut is expected to equal or surpass that in 1947. A new labour agreement covering woodworkers in British Columbia has been under negotiation with strike threats

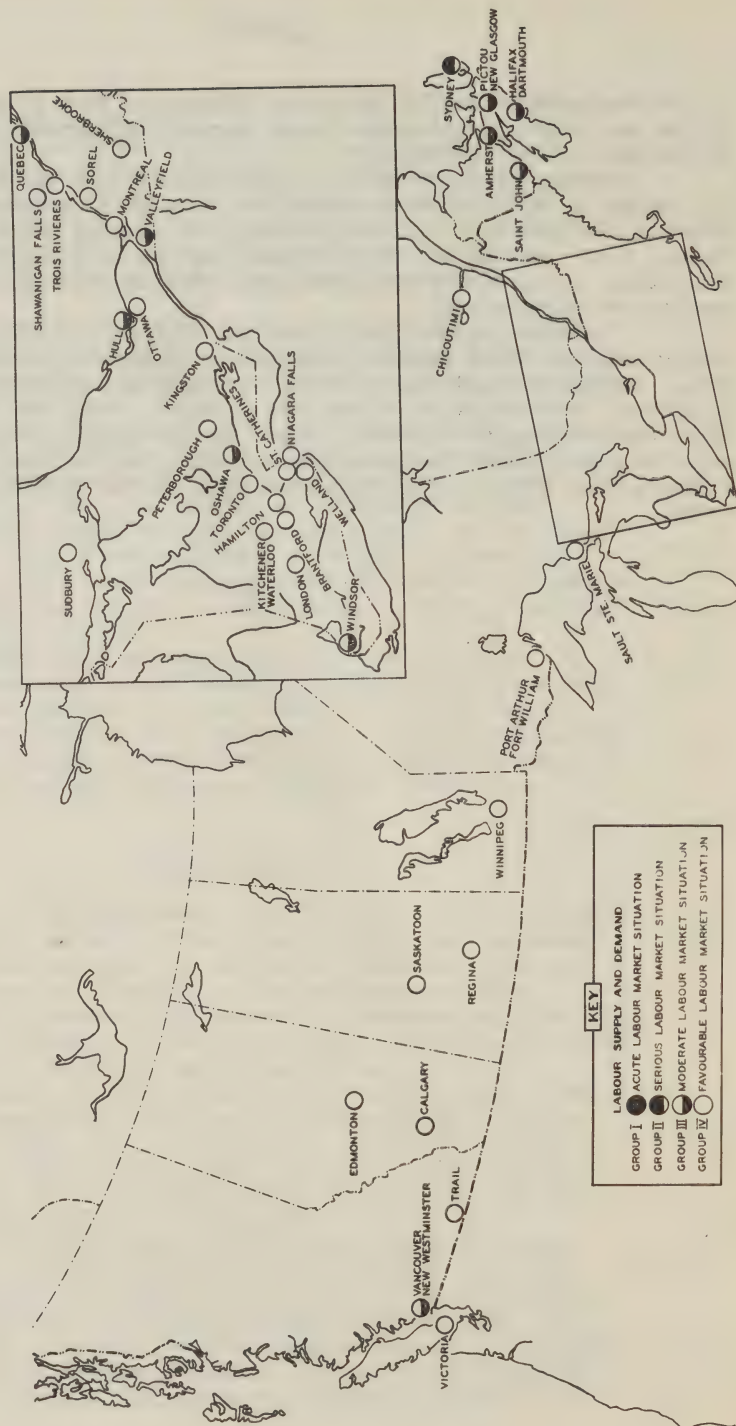
if the companies refuse to grant wage increase. Such a condition has caused considerable labour unrest and apprehension on the part of the operators.

During the first half of July, workers were plentiful enough to fill the heavy demand for thinners in orchards. Although the peak crop will not be ready for picking until August, fruit picking and packing were busy and well supplied with help. In flooded areas, some crops were reseeded and results are encouraging.

The Victoria Machinery Depot had further lay-offs during July, and still another reduction in employment is foreseen. Larger shipyards in Vancouver were nearing completion of present contracts with no new work in sight. Pulp and paper mills were working at capacity. Other manufacturing industries, with the exception of the furniture industry, were working steadily with little change from conditions in the previous month.

A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT JULY 1, 1948



LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at July 1, 1948, at June 1, 1948, and at July 1, 1947.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I—Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for June and July of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	July 1, 1948	June 1, 1948	July 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	III
Vancouver.....	III	III	III
Windsor.....	III	III	III
Winnipeg.....	IV	III	III
Victoria.....	IV	IV	IV
Calgary.....	IV	IV	IV
Toronto.....	IV	IV	IV
Ottawa.....	IV	IV	III
Hamilton.....	IV	IV	IV
Edmonton.....	IV	IV	IV
Montreal.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney.....	II	II	II
Halifax.....	III	III	III
Saint John.....	III	III	III
Fort William - Port Arthur....	IV	IV	IV
Regina.....	IV	IV	IV
London.....	IV	IV	IV
Kitchener - Waterloo.....	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull.....	III	III	III
Oshawa.....	III	III	III
Three Rivers.....	IV	III	III
Shawinigan Falls.....	IV	IV	III
Chicoutimi.....	IV	IV	IV
Saskatoon.....	IV	IV	IV
Saint Catharines.....	IV	IV	IV
Kingston.....	IV	IV	IV
Brantford.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV
<u>Population of under 25,000</u>			
New Glasgow - Pictou.....	III	II	II
Amherst.....	III	II	III
Valleyfield.....	III	III	III
Welland.....	IV	IV	IV
Sorel.....	IV	III	IV
Niagara Falls.....	IV	IV	IV
Trail.....	IV	IV	IV

EMPLOYMENT EFFECTS OF PLANT EXPANSION

In terms of physical volume, industrial expansion will be down slightly from 1947 if the present trend continues. Since many plants started in 1947 and even in 1946 are being completed this year, the mild slump in the value of contracts awarded in 1948 will not mean any marked drop in new job openings during this year as compared to 1947.

During the month of July the value of contracts awarded for industrial construction at \$4.0 million was down \$7.2 million as compared to July, 1947. The value of industrial contracts awarded during the first seven months of 1948 was \$40.9 million, a decrease of some \$15.4 million compared to the first seven months of 1947. One large contract in any particular month however, can make monthly figures vary to a great extent. July alone produced nearly 50 per cent of the drop in industrial construction awards for the first seven months of 1948 compared to the same time in 1947.

Such industrial expansion creates employment in two ways: one by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore more important to the particular area where the new industries are located.

For these reasons, therefore, a listing by industry within each area of all such capital expansion, whether it will be a new plant, a plant expansion, or the occupation of empty plant facilities, is provided in this section of the Canadian Labour Market from month to month. The type of expansion taking place is denoted as follows: new plant - N.P., plant expansion P.E., and occupation of present plant facilities - P.F. Estimates are also given of the date of completion and the number of new employees which will possibly be required.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION AND NEW JOBS

Area	Industry and Name of Company	Type of Expansion	Possible Number of New Employees	Probable Time of Commencement of Production
Coaticook, P.Q.	Textiles Audet & Couture Ltd.	N.P.	55	3rd Qtr/48
Farnham, P.Q.	Wood & Lumber Products Maple Leaf Flooring Co.	N.P.	25	2nd Qtr/48
Louiseville, P.Q.	Textiles Associated Textile of Canada Ltd.	P.E.	60	3rd Qtr/48
Montreal, P.Q.	Secondary Iron and Steel Bloctube Controls of Canada Ltd.	P.F.	25	2nd Qtr/48
Quebec, P.Q.	Wood & Lumber Products Laurentide Furniture Co. Ltd.	N.P.	50	2nd Qtr/48
St. Jean, P.Q.	Textiles Demetre Sault & Ciriez (Can.)	P.E.	40	1st Qtr/48
Shawinigan Falls, P.Q.	Chemicals Canadian Industries Ltd.	N.P.	30	3rd Qtr/48
Amherstburg, Ont.	Secondary Iron and Steel Smith, Kirkaldy & Dennison	P.E.	20	2nd Qtr/48
Hawkesbury, Ont.	Textile St. Lawrence Textile Co.	P.F.	200	2nd Qtr/48
Hamilton, Ont.	Textiles National Hosiery Mills Ltd.	P.E.	55	3rd Qtr/48
Midland, Ont.	Leather Products Midland Footwear Ltd.	N.P.	25	1st Qtr/48
Oshawa, Ont.	Wood and Lumber Products Ontario Lumber & Millwork	P.E.	20	4th Qtr/48
St. Thomas, Ont.	Secondary Iron and Steel St. Thomas Metal Signs Ltd.	P.E.	25	3rd Qtr/48
	The Erie Iron Works Ltd.	N.P.	60	3rd Qtr/48
	Electrical Apparatus Redmond Motors of Canada Ltd.	P.F.	100	3rd Qtr/48
Medicine Hat, Alta.	Grain Products Alberta Linseed Oil Co. Ltd.	P.E.	22	3rd Qtr/48

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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August

1948

BAROMETRICS FILE

Government
Publications

FEATURE ARTICLE

The Employment
Outlook

Volume 4

Number 8

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CANADIAN LABOUR MARKET
Research and Statistics Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

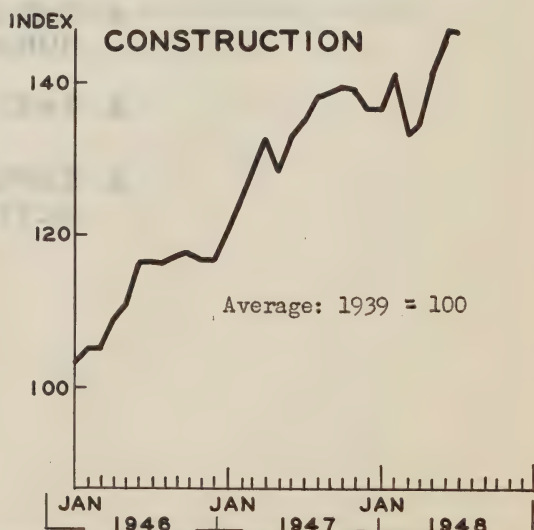
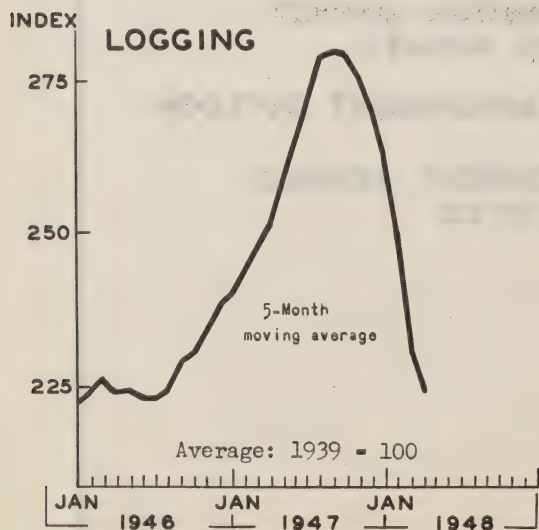
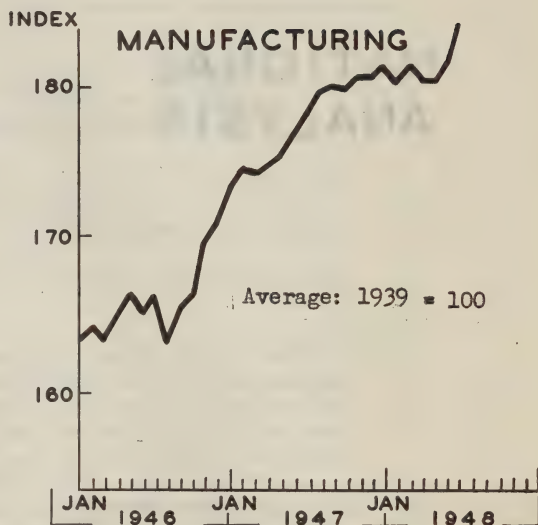
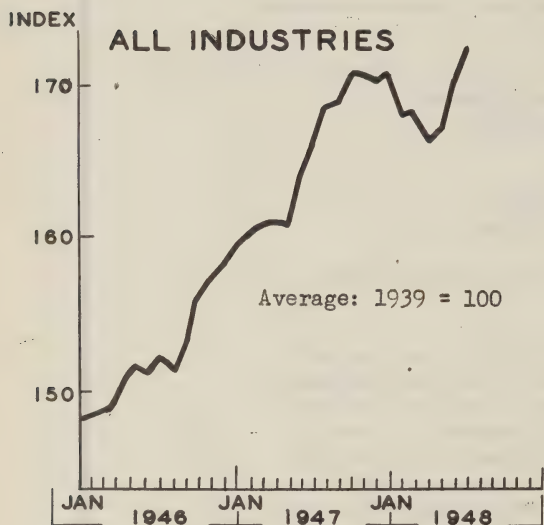
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING AUGUST
- ▲ THE EMPLOYMENT OUTLOOK
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

(SEASONALLY ADJUSTED)



THE LABOUR MARKET DURING AUGUST

The seasonal "tightening" of the labour market in Canada continued during August. By the middle of September, total employment will reach its seasonal peak. Subsequently, the decline in agricultural operations and the withdrawal of student workers will end the seasonal rise. With unemployment now estimated as less than two per cent of the labour force, employment prospects in most areas and industries appear favourable for the remainder of 1948.

Again during August of this year, total employment in Canada moved very near to its seasonal peak; top seasonal employment will likely be reached by about the middle of September, as has been the case in the last eight years. In pre-war years, employment usually reached its highest point in August. The advancement of the peak in recent years has been largely due to the heavy demand for goods which has encouraged the seasonal industries to carry on operations for as long as possible.

Farm operations in Canada usually reach their height in the latter part of August and in early September. In Quebec, Ontario, and British Columbia, labour needs are greatest in August; elsewhere in the country, agricultural labour demand becomes most severe in September.

Non-farm employment in Canada has not attained its seasonal peak recently until considerably later, usually in November. Before the war, however, the seasonal peak of industrial employment was reached in late August and early September.

More basically reflecting economic conditions in the country, however, is the cyclical or seasonally adjusted trend of employment. As can be seen in the chart on the opposite page, employment in all non-agricultural industries has resumed its upward cyclical movement after the slight interruption which occurred in the latter part of 1947 and the early months of 1948. The main cause of this short decline was the early and precipitous drop which occurred in logging employment last winter.

In recent months, too, manufacturing employment has resumed its upward cyclical movement. During the winter months, the uncertainty arising out of the Dollar Saving program, as well as the shortage of electric power, had interrupted the rise which began in 1946.

In the logging industry, employment dropped off earlier and more rapidly during the latter part of 1947 and early 1948 than had been the case during the previous war and postwar years. The major causes of this were the greater availability of workers last winter and the lower labour turnover. Thus, with a larger and more stable working force, logging operations were completed early and workers were released.

Construction employment has been rising almost steadily since 1945 as a result of the heavy building and capital investment programs which have been underway since the war ended.

CALENDAR OF LABOUR MARKET EVENTS

August, 1948.

- August 5 The Trades and Labour Congress of Canada began a two-day conference in Ottawa to discuss the lake-shipping dispute. The 18 international brotherhoods of railway workers, led by Frank Hall, withdrew from the meeting charging that it was a CSU-Communist rally.
- August 11 The week-old strike of the 500 employees at the Continental Can Co. plant in Toronto, Ont., ended with the granting of a 10¢ per hour wage increase.
- August 20 A new agreement was signed between the United Packinghouse Workers of America and Canada Packers Ltd., providing for a 7 - 13¢ per hour wage increase for the 5,000 employees throughout Canada.
- August 23 A new wage agreement was signed between the United Packinghouse Workers of America and Swift Canadian Co., providing for a wage increase of 9.6 per cent covering the 3,500 workers in the six plants throughout Canada.
- August 24 The organized movement of harvesters from the East to the heaviest fields of the Prairies began under the supervision of the National Employment Service.
- August 25 The International Union of Mine, Mill and Smelter Workers, consisting of 22,000 Canadian members, was suspended from the Canadian Congress of Labour.
- August 26 The 125 workers of the Benedict Proctor Co., a jewellery manufacturing firm in Trenton, Ont., agreed to accept a wage reduction for a one-month period. Owners claimed the plant would have to close unless costs were cut.
- August 31 Negotiations aimed at settling the 45-day strike at McKinnon Industries, Ltd., manufacturers of automobile parts at St. Catharines, Ont., were begun under the supervision of the Ontario Minister of Labour.
- August 31 A total of 2,270 Displaced Persons arrived in Canada during the month.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:—All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	Aug. 1948	July 1948	June 1948	May 1948	July 1946	July 1945	July 1943	July 1939
Population:—								
Births (a).....000's	-	15.5	14.7	14.9	14.2	12.5	11.8	7.5
Deaths (a).....000's	-	4.9	5.0	5.4	5.0	4.8	4.4	4.1
Immigration.....000's	-	11.1	15.3	9.6	9.1	1.3	.8	2.0
Civilian Labour Force:—								
Number.....000's	-	-	5,030	-	-	-	-	-
Employment:—								
Number.....000's	-	-	4,948	-	-	-	-	-
Index (b).....Av.1926=100	-	195.3	190.8	185.2	172.2	173.3	180.7	115.8
Female (b).....%	-	21.7	21.9	22.5	23.2	-	-	-
Unemployment:—								
Number.....000's	-	-	82	-	-	-	-	-
Unplaced applicants (c).....000's	96	119	131	165	179	79	85	-
Live claims.....000's	49	57	71	105	82	17	2	-
Earnings and Hours:—								
Labour income.....\$000,000's	-	-	583	561	427	-	-	-
Per capita wkly.earnings (d)....\$	-	38.81	38.11	38.53	29.68	31.05	-	-
Average hrly.earnings (d).....¢	-	92.4	91.4	89.4	70.0	70.1	-	-
Average real weekly earnings (e) Av.1946=100	-	101.2	101.0	102.8	97.0	105.5	-	-
Average hours per week (d).....	-	42.0	41.7	43.1	42.4	44.3	-	-
Cost of Living: -								
Index.....Av.1935-39=100	157.6	156.9	154.3	153.3	125.1	120.3	118.8	100.8
Strikes and Lockouts: -								
Workers involved.....000's	8	9	4	3	50	12	16	4
Man-working days lost.....000's	120	80	35	40	916	45	66	12
Industrial Production: -								
Index.....Av.1935-39=100	-	174.1	180.5	182.3	153.5	173.5	197.4	107.3

(a) In cities, towns, and villages of 10,000 or more persons.

(b) Based on firms of 15 or more workers, in the nine leading industries.

(c) Registered with National Employment Service Offices.

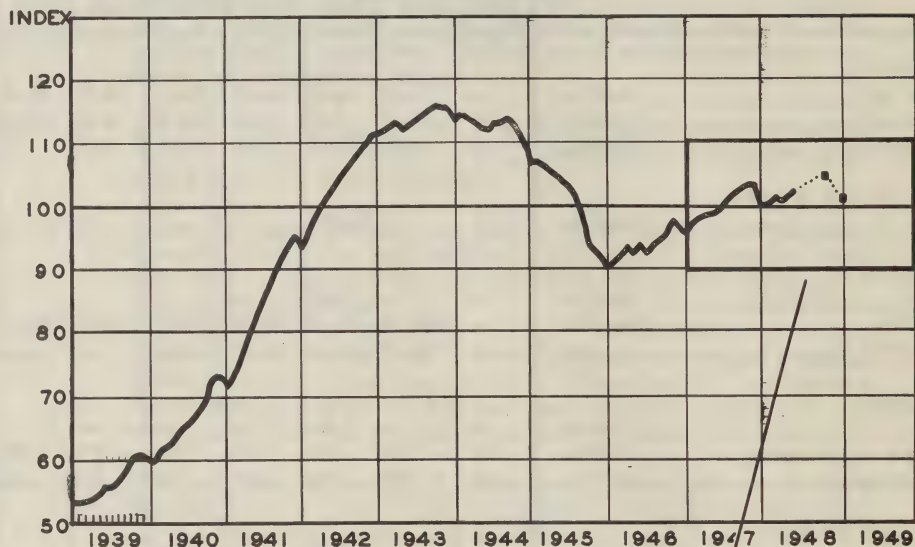
(d) Wage earners in manufacturing only.

(e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

EMPLOYMENT TRENDS OF MANUFACTURING INDUSTRIES 1939 - 1949

ACTUAL AND FORECAST

BASE: JAN. 1948 = 100

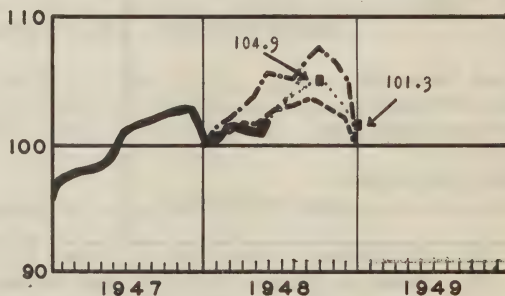


— D.B.S. Indexes
For Manufacturing

- - - Seasonal Trend
1940-48

- . . . Seasonal Trend
1936-41

■ Forecast Employment



THE EMPLOYMENT OUTLOOK

Employment forecasts for October 1, 1948, and for January 1, 1949, indicate that a high level of employment will prevail throughout the final quarter of this year. While the rate of employment growth in the broad industrial groups shows signs of levelling off, the cyclical trend will be slightly upward, at least until the first of January next year.

Although the demand for labour has fallen off in a few of the manufacturing industries, due to an excess of production over demand, to date no serious signs of weakness have appeared on the economic horizon. Both domestic and export demand (the latter sustained by the European Recovery Program) continue strong, while the domestic capital investment program has exceeded expectations by a considerable margin.

Labour shortages are still apparent in certain skilled trades and these are expected to persist for some time; on the other hand, certain pockets of labour surplus can be anticipated because of either occupational or geographic immobility. Time lost during the first seven months of this year on account of strikes is only about one third of the number of days lost during the comparable period in 1947, which indicates that labour relations are in a fairly stable state. No serious labour troubles are anticipated in the near future.

All in all, the general outlook is highly favourable, with total employment in Canada expected to top five million at the peak of seasonal activity (about October 1) for the second successive year.

Manufacturing Industries

Although an analysis of the deseasonalized indices for manufacturing during the last quarter of 1947 and the first quarter of 1948 indicates a period of stabilization following a prolonged upward trend since the beginning of 1946, the cyclical pattern during the last six months of 1948 appears to be slightly upward.

An analysis of the direct forecasts of 650 key establishments in Manufacturing industries, involving 40 per cent of the working force, indicates that employment at October 1, 1948, and January 1, 1949, will be 2.7 and 1.3 per cent, respectively, above the corresponding dates a year previous.

If allowance is made for the workers on strike at October 1, 1947, in the meat packing industry, the October 1, 1948, position would be approximately 1.5 per cent above the adjusted October 1, 1947, position.

Precise interpretation of the current cyclical trend in Manufacturing is hampered by the changing seasonal pattern which shows a trend toward the wider seasonal variations of the prewar period. There is every evidence, however, that manufacturing employment is undergoing a process of levelling off.

From July 1, 1946 to January 1, 1947 manufacturing employment increased 6 per cent; from July 1, 1947 to January 1, 1948, 4.5 per cent.

TABLE I—EMPLOYMENT FORECAST
January 1, 1948 = 100

(Source: Employment Forecast Survey, Third Report, 1948)

Selected Industries	Actual Employment Jan.1,1948	Forecast Employment	
		Oct.1,1948 (Index)	Jan.1,1949 (Index)
<u>MANUFACTURING INDUSTRIES</u>	1,048,076	104.9	101.3
Food (other than Flour Mills).....	99,420	124.8	101.4
Clothing (excluding Rubber).....	110,482	101.5	100.0
Beverages.....	18,702	104.3	101.6
Flour and Feed Mills.....	6,125	104.5	99.6
Primary Textiles.....	63,910	103.3	105.6
Pulp and Paper.....	48,172	109.2	100.7
Containers.....	28,520	96.4	93.6
Household Furniture and Electrical Goods.	88,912	99.5	99.0
Vehicles (automobiles and parts excluding rubber tires).....	46,135	98.6	98.4
Rubber.....	24,362	90.3	90.7
Machinery Building.....	93,514	100.9	100.7
Integrated Steel.....	59,250	105.3	106.2
Agricultural Implements.....	21,526	110.6	111.5
Chemicals.....	19,544	107.4	106.9
Non-ferrous Metal Products.....	48,636	102.8	103.0
Construction Materials.....	58,917	101.9	101.0
Petroleum Products.....	9,246	106.0	101.7
Sawmills.....	44,111	117.9	103.4
Aircraft.....	9,381	93.8	97.0
Shipbuilding.....	22,103	90.5	83.7
Electric Power.....	26,701	113.5	109.0
<u>PRIMARY INDUSTRIES</u>			
<u>Logging</u>			
Manitoba and East (Pulpwood).....	57,129	91.0	102.4
British Columbia.....	15,723	114.5	108.1
<u>Mining</u>			
Coal - Canada.....	24,579	100.9	102.5
Nova Scotia.....	12,609	107.1	107.1
Alberta & British Columbia.....	10,807	92.5	99.0
Metal.....	39,947	105.4	105.9
Non-metallic.....	13,993	116.5	105.1
<u>MISCELLANEOUS INDUSTRIES</u>			
<u>Communications</u>			
Telephones.....	37,081	105.2	104.1
<u>Retail Trade</u>			
Department Stores	65,450	87.9	99.6

Currently, the level of employment is 3 per cent above the same period in 1947, but according to the forecast will narrow to approximately 1.5 per cent toward the end of the year.

In absolute figures the January 1, 1949 forecast represents an increase of 14,000 workers (1.3 per cent) over January 1, 1948; and 116,000 (12.2 per cent) over January 1, 1946.

The following summary table sets forth the year-to-year comparisons and the forecast for employment in the main sub-divisions of manufacturing:

Table II--Employment in Manufacturing Industries

Source: Employment Forecast Survey, Third Report, 1948

Industry Group	Actual Employment (1)		Forecast Employment Jan. 1, 1949	Percentage Change	
	Jan.1,1947	Jan.1,1948		Jan.1,1947 to Jan.1,1948	Jan.1,1948 to Jan.1,1949
Consumer Non-Durables Ancillary to Consumer Non-Durables.....	311,921	317,789	320,300	+ 1.9	+ 0.8
Consumer Durables...	140,476	146,727	148,800	+ 4.4	+ 1.4
Producers Goods.....	141,264	155,441	153,900	+10.0	- 1.0
Electric Power.....	384,424	401,021	408,300	+ 4.3	+ 1.9
	23,792	26,701	29,100	+12.2	+ 9.0
Manufacturing ⁽²⁾	1,002,340	1,048,076	1,061,420	+ 4.6	+ 1.3

(1) Source: D.B.S. employment statistics of establishments employing 15 or more persons.

(2) Manufacturing figures are not the totals of sub-groups as there have been certain minor omissions from sub-groups.

Consumer Non-Durable Finished Goods Industries

Employment in this group is expected to reach 320,300 by January 1, 1949, a gain of 2,500 or 0.8 per cent over the same date a year previous. Food, printing and beverages will be slightly ahead of 1948, while fractional decreases are anticipated in the clothing, drug and tobacco industries.

Food—Conditions in this industry are relatively stable, apart from the seasonal upswing in progress at present with the operation of food canning plants. Cyclical growth is now almost completely dissipated and the January 1, 1949 year to year employment gain is expected to be only 1.4 per cent (1,400 workers).

Clothing—High prices of woollen goods, a shortage of cotton yard goods due to restrictions of imports from the United States under the dollar savings program, and some resistance on the part of consumers to the general high level of prices, caused a contra-seasonal drop in employment in the clothing industry during the early part of this year. As a result, the short term outlook to January 1, 1949, envisages no further expansion and it is expected that the level of employment will be about the same as at the beginning of 1948.

Beverages—Except for seasonal fluctuations (the fall seasonal downswing from September to January is now in progress), employment in this industry has almost reached the peak of its cyclical expansion, with the January 1, 1949 forecast anticipating an increase of only 1.6 per cent over January 1, 1948. The demand for beverages appears to be well maintained, since it related to the general level of business activity. Employers, on the whole, are optimistic about the future. The current forecast indicates a drop of 500 employees (approximately 2.5 per cent between October 1, 1948 and January 1, next, but this decrease is wholly attributable to seasonal considerations.

Industries Ancillary to Consumer Non-Durable Finished Goods

The January 1, 1949 forecast anticipates that total employment in this group will be 1.4 per cent, or 2,000, higher than one year previous. Primary textile producers are still expanding employment, the flour milling and pulp and paper industries are stable, while the number of workers engaged in the manufacture of containers will be reduced by about 6.4 per cent.

Primary to Food (Flour Milling)—Currently, this industry is showing no signs of cyclical growth and employment at January 1, next, is expected to be the same as on January 1, 1948. The decline of 300 workers, which the current forecast indicates will take place between October 1 and January 1, is wholly seasonal in nature. Although demand remains high, the supply of grain is the principal factor affecting operation of this industry at present; with this year's wheat crop comparable to 1947, not much change in production schedules is anticipated.

Primary to Clothing—Although the demand for certain types of woollens has softened because of the high price level prevailing today, other sectors of the industry are continuing to expand. Restrictions on the import of cotton yard goods from the United States have greatly reduced the amount of cotton available for the Canadian market. Moreover, supplies of British cottons have been limited by prohibitive prices and uncertain deliveries. In the face of this, Canadian producers have been called on to supply a greater portion of the domestic market and they have been making every effort to increase production. As labour, which has been in short supply, becomes available, employers are gradually expanding work forces in order to attain maximum utilization of plant facilities. The January 1, 1949, forecast, envisages an employment level of 67,500, 5.6 per cent above the year previous date. The short run outlook for this industry is very promising, with most firms holding a substantial backlog of orders.

Primary to Printing (Pulp and Paper)—An active demand for pulp and paper is sustaining employment in this industry at record levels. The increase of 2,100 employees forecast for October 1 over April 1 is mostly seasonal and, conversely, the drop of 4,000 between October and January will be the result of the customary seasonally inactive period. The rate of cyclical growth, which was quite rapid during 1946 and 1947, has now diminished considerably. Consequently, the January 1, 1949, forecast of 48,500 represents a year to year increase of only 0.7 per cent. The immediate future for this industry is very promising and, in addition, considerable long-term expansion is under way.

Containers—Reduced demand for certain types of containers has been responsible for the almost steady drop in employment which has been in progress since a peak was reached in August, 1947. Although the year to year comparison for January 1, 1949, indicates a drop of 6.4 per cent, this decline has already taken place and it is expected that operations in this industry will continue stable at a level slightly below last year.

Consumer Durable Goods Industries

This group of industries, which is affected by restrictions on imports from the United States, will show some slight decline during the forecast period. For the year ending January 1, 1949, employment will be down approximately 1,500 or 1 per cent. Despite this slight decline, the demand for consumer durables remains very strong and these industries are expected to continue in an active state for some time to come.

Household Furniture and Electrical Goods—Employment in this industry dropped in the early months of 1948 after reaching a record level in December, 1947. This drop was due chiefly to decreased production of radios and import restrictions on materials necessary for the manufacture of household appliances. Although a small seasonal increase is forecast for October 1, it is not expected that employment will recover to its 1947 peak level before the end of the year. The January forecast of 88,000 represents a year to year decrease of 1 per cent.

Vehicles (Automobiles and Parts)—Employment in this industry declined during the earlier part of 1948 because of restrictions on the importation of materials from the United States. A point of stability has now been reached and the January forecast indicates no change during the final quarter of this year. If the material supply situation improves in the near future, some expansion can be looked for in this industry in the early part of 1949.

Rubber—The forecast of 22,100 for January 1, 1948, represents a decline in employment of 9.3 per cent from the year previous date. This decline took place in the first half of the year and operations are now fairly stable. The exhaustion of backlogs of Canadian demand for automobile tires necessitated the laying-off of a considerable number of workers. Because of this decrease in demand, it is not anticipated that employment will make any marked recovery during the final part of this year.

Producer Goods Industries

The forecasts for October 1, 1948, and January 1, 1949, for this group indicate an increase in employment of 2.6 and 1.8 per cent, respectively, over the corresponding dates one year previously. The rapid growth evidenced in 1947 is being modified in 1948. Aircraft employment has resumed an upward pattern based on the outlook for one large company which has recently obtained a large contract from a British airline. Other industries within this group are continuing their expansion with the exception of shipbuilding, which is still passing through a period of postwar contraction.

With the present high rate of domestic capital investment, the demand for most of the products of these industries shows no sign of weakening. For some items such as steel, railway rolling stock, agricultural implements, fertilizers, non-ferrous metals and construction materials, adequate domestic and foreign markets seem assured for at least the next six months.

Machinery Building--Employment is expected to remain stable in this industry throughout the forecast period. The January 1, 1949, forecast of 94,200 represents an increase of 0.7 per cent on a year to year comparison basis.

The boom in machinery building shows few signs of slackening, chiefly because of the continuing heavy rate of capital investment in Canada. Overseas markets are being well maintained since machinery is given high priority under the European Recovery Plan. A shortage of basic iron and steel products is the only serious limitation at present, and for this reason, employment has decreased in some plants.

Integrated Steel--This industry continues to expand its employment at about the same rate as one year ago and the January 1, 1949, forecast of 62,900 represents a year to year increase of 6.2 per cent. The demand for steel remains high and, in the face of this, the present upward trend in employment is expected to continue. Expansion of plant capacity, however, is being approached very cautiously because of the high capital investment involved and the uncertainty of long run market prospects.

Agricultural Producers' Goods--The current forecast of employment in this industry indicates continuance, at a somewhat reduced rate, of the gradual upward trend in evidence since the end of the war. The January, 1949, forecast of 24,000 is 11.5 per cent above the January, 1948, figure. Operations in this industry are expected to be well maintained during the next six months as the demand for machinery, fertilizers, and other goods necessary for farm production continues at a high level.

Chemicals--Since the markets for chemical products are very diversified, the chemical industry is expected to flourish along with industry in general; employment may therefore be expected to continue at a high level during the balance of this year. A year to year increase of 6.9 per cent is forecast for January 1, next, bringing employment to 20,900. Although most of this increase can be accounted for by the upward trend in the business cycle, some small part of it is undoubtedly due to the long run tendency toward expansion in chemical manufacturing.

Non-Ferrous Metal Products--Employment is expected to continue its upward trend under the influence of a very heavy world demand for non-ferrous metals. Employment is expected to reach 50,000 by January 1, an increase of 3 per cent over the year ago date. Production at present is being limited only by developed ore supplies, capacity of existing refineries, and, especially in the case of aluminum, by shortages of electric power. However, heavy investments are currently being made to expand capacity in these three respects.

Construction Materials--This industry reached a record employment level during the first half of 1948; however, it is expected that building activity will slacken considerably late in the fall and, consequently, a fractional softening in the demand for construction materials will occur. During the forecast period employment will drop by approximately 500 to 59,500 at January 1, next, an increase of 1.0 per cent over January 1, 1948.

Petroleum Products--The trend of employment in this industry is still upward, as reflected by the 1.7 per cent year to year increase forecast for January 1, 1949. During the forecast period, the customary seasonal decline

will be in progress and employment is expected to drop by 400 between October 1 and January 1. The demand for petroleum products continues to outrun supply and because of this shortage, the industry will be producing at capacity for the next several months. Some expansion is currently taking place, but growth is slow because of the heavy capital investment involved. In the long run, further increases in employment are anticipated.

Sawmills—The rapid growth in employment, which was in progress during 1946 and 1947 in this industry, has been modified considerably this year. As a result, the January 1 forecast anticipates a year to year increase of only 3.4 per cent as compared with the rise of 10.2 per cent which occurred during 1947. The fall seasonal decline will be in progress during the forecast period. Since a strong demand for lumber exists in both domestic and world markets, this industry looks forward to a continuation of present high-level operations.

Aircraft—Post-war contraction of this industry was halted recently when a large British contract was awarded to a Canadian firm. The downward trend in employment has now been reversed and a moderate increase is expected to take place during the final quarter of this year. On a year to year comparison basis, the January 1, 1949 forecast figure of 9,100 represents a decrease of 3.0 per cent. The future for this industry, when present contracts are completed, is uncertain for most firms.

Shipbuilding—This industry has been declining steadily since 1946 as a result of contracting markets. Further drops in employment are predicted by October 1 and January 1, next, mostly as a result of lay-offs in the British Columbia shipyards. The January 1, 1949, forecast of 18,500 represents a percentage decrease of 16.3 from the year previous date. The outlook for the industry is somewhat uncertain, particularly for the west coast. In addition, work in progress cannot be carried out according to schedule because of the current acute shortage of steel. No alleviation of this condition is foreseen in the near future.

Electric Power

The trend of employment in this industry is one of continuing expansion in keeping with a long-range program of growth. A year to year employment increase of 9.0 per cent is forecast for January 1, 1949. A slight seasonal decrease will be in progress during the final quarter of this year with the cessation of work on power line improvement and extension. An active and growing demand for power by both industrial and domestic consumers indicates a prosperous future for this industry.

Primary Industries

The primary industries continue in a very active state under the influence of an almost unlimited demand for the products of Canada's natural resources.

Logging

Pulpwood Logging (Manitoba and East)—The current forecast figures indicate that employment in this industry will be well into its period of

seasonal activity by October 1, with the level of employment 3.3 per cent above October of last year. The January 1, 1949, forecast represents a year to year increase of 2.5 per cent. This higher employment figure, however, is not the result of cyclical expansion; rather, it will be because pulpwood logging operations are returning to their prewar seasonal pattern. This means a concentration of the wood cutting program into a shorter period of time and thus a slightly greater number of workers will be required to obtain the equivalent of last winter's cut. The unions covering employees in the Northern and Western Ontario sectors have recently completed negotiations with employers and a new contract granting a 10 per cent wage increase has been signed. Labour is in more abundant supply than last year and employers do not anticipate any difficulty in securing the required number of workers.

Logging (British Columbia)—The October and January forecasts indicate the upward cyclical trend of employment is still in progress, the latter figure being 8.1 per cent above January 1, 1948. A moderate seasonal decline will be in progress during the forecast period. The demand for both saw logs and pulpwood continues unabated and the short-run outlook for this industry is very favourable. Some further long-term expansion of the industry can be looked for when new west coast pulp mills come into operation during the next few years.

Coal Mining—The year to year increase of 2.5 per cent predicted for January 1, 1949, represents a further stage in the recovery of Maritime mines to the employment level which prevailed prior to the serious strike which occurred in 1947. No cyclical change is expected in this industry during the forecast period, the rise in employment between October and January being almost wholly accounted for by seasonal activity in the western mines. With demand for coal continuing to outrun supply, the short-term future for this industry presents no cause for concern.

Metal Mining—The upward trend in employment in this industry is still in progress although the rate of increase is only about half that for 1947. The January 1, 1949 forecast of 42,300 is 5.9 per cent above the year previous date.

Some seasonal expansion is expected to occur during the last quarter of this year due to a greater availability of labour. A strong demand for base metals, combined with high prevailing prices, is encouraging employers in this group to expand production wherever possible. Gold mines, on the other hand, are restricted in their expansion plans because of the narrowing margin between rising costs and fixed selling price. Labour is in more plentiful supply than one year ago and employers report that increased productivity has resulted from decreases in both absenteeism and labour turnover.

Non-Metallic Mining—The January 1, 1949, forecast of 14,700 represents an increase of 5.1 per cent over the same 1948 date. This increase is principally the result of new developments which are currently taking place in the Leduc oil fields in Western Canada. It is, therefore, a permanent change in the industry rather than any cyclical uptrend. Other non-metallic groups (asbestos, gypsum, lime, natural gas, etc.) are relatively stable, although some moderate gains have been registered. The usual seasonal decline will be in progress during the forecast period.

Communications

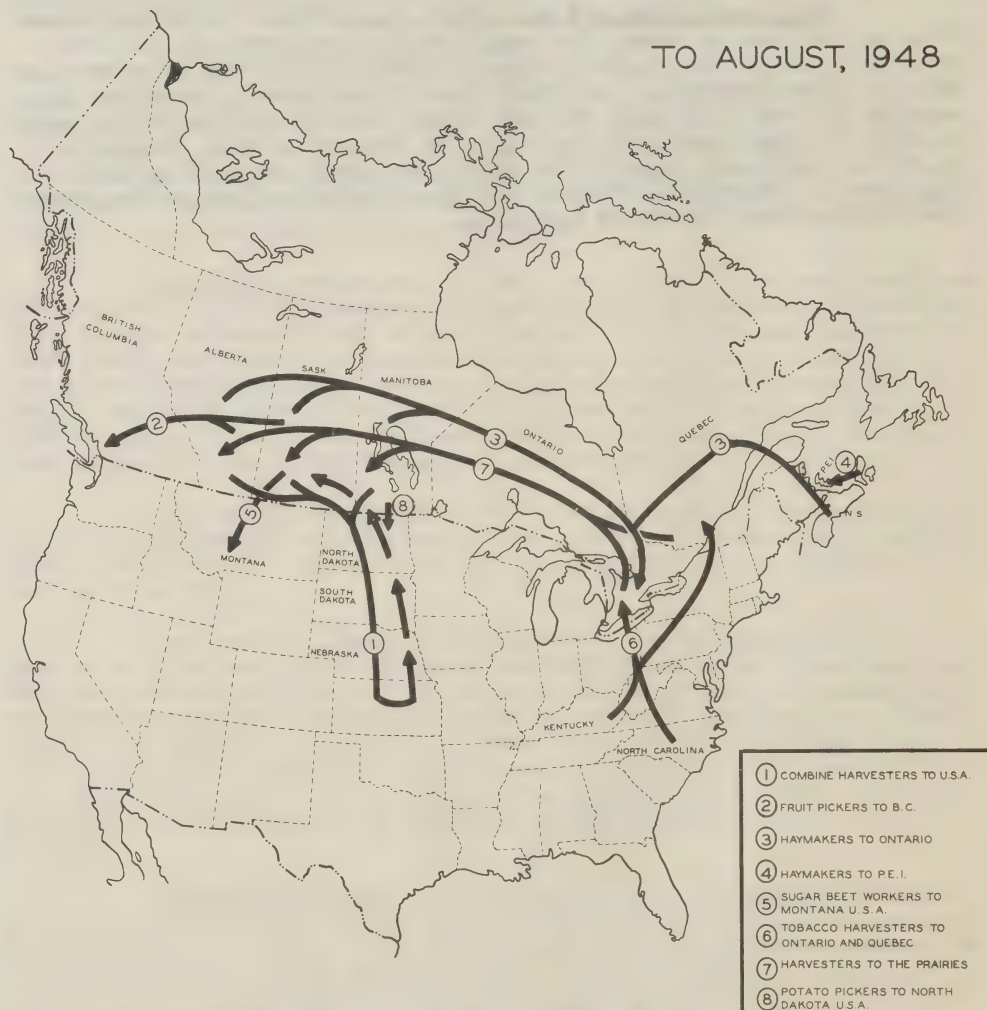
Telephones—A notable growth was registered in both 1946 and 1947 in this industry. However, in 1948, while the upward trend continued, the expansion rate was considerably below that of last year. The current forecasts indicate a further slowing down in the rate of growth. By January 1, 1949, it is expected this industry will be employing approximately 38,600 workers, an increase of 4.1 per cent over the year previous date. In keeping with Canada's population growth and industrial expansion, the long run outlook for this industry is very promising.

Retail Trade

Department Stores and Mail Order Houses—While the dollar volume of sales continues to exceed the record levels established in 1947 (for comparable dates), the physical volume is down slightly when adjustment is made for price increases. The upward trend in employment, therefore, is expected to level off, apart from the normal seasonal increase which takes place in the last quarter of the year. The January 1, 1949, forecast of 65,200 is practically equal to the actual employment one year earlier. A high level of activity is foreseen for this industry as long as the present level of employment in Canada continues.

ORGANIZED MOVEMENTS OF FARM WORKERS

TO AUGUST, 1948



EMPLOYMENT SERVICE ACTIVITIES

Recruitment of farm help highlighted Employment Service activities during August. It now seemed certain that sufficient labour would be available for the Prairie harvest movement. Demand in general was reaching its seasonal peak while the unplaced continued to fall to their usual summer low. Clearance activity now extends to Great Britain where an employment office has been opened to facilitate immigration.

Farm labour needs reached their peak during August and employment offices were busily engaged in recruiting the necessary help. In all regions but British Columbia farm workers were being transferred in organized movements arranged through the co-operation of the Provincial Farm Labour Committees and the National Employment Service. By the end of August the situation was well in hand, the final harvest movements had been arranged, and help was again spared for farming operations in the United States.

The chief transfer arranged during August was the trek of eastern help to the Prairie harvest fields. The order had been placed at 2,200; by the end of August, the 1,250 men already dispatched had largely satisfied the needs of Manitoba and Saskatchewan. Sufficient help was forthcoming to meet the requests of Alberta farmers. Immigration and unfavourable weather had lowered labour needs in Ontario and this, coupled with the reduced transportation fares and high harvesting wages, had enabled the Western movement to reach the required level.

Toward the end of August, labour demand had begun to climb and shortages were mounting rapidly. Replacements were needed for students returning to school, particularly in the service industries. Industrial hirings were again under way following the holiday close-ups; usual staff changes which occur over the vacation period and the hiring of help for the seasonally-active food processing plants strengthened requirements. The International Nickel Company in Sudbury was again renewing its efforts to secure help and it was announced that 800 mine beginners were to be recruited out of the labour surplus areas of Nova Scotia.

Honourable Brooke Claxton, Minister of National Defence, announced that an all-out recruiting campaign for the three Services will be launched in September. No limit has been placed yet on the number to be accepted.

The number of unplaced applicants hovered at approximately last year's level and each week saw a further decline in the number remaining on file. By the beginning of September, the number unplaced had fallen to 87,000. The age distribution however, has tended to shift toward the group "under 20", an indication of the expansion of N.E.S. services to youths and first jobbers. The decline in the proportion in the age group 20 to 44 was largely attributed to decreased labour turnover. The problem of discrimination against the older worker remains, with the "over 45" age group still numerically the same as in 1947.

Placements of handicapped workers was up to approximately last year's level and employers were becoming increasingly aware of the employment possibilities of disabled persons. Further activity was reported in the placement of ex-convicts and parolees and close follow-up work reveals that many of these placements have been highly successful.

Placements had fallen to their normal summer level during July and August, a reflection both of the decline in unemployment and of curtailed hiring during the holiday period. Placements were slightly below those of 1947.

On August 6, it was announced that the new benefit rates authorized by the amendment to the Unemployment Insurance Act would become effective on October 4. The revised regulations increase the benefit rate to claimants with dependents and also establishes a new class for workers with wages of \$34 a week or more. This now brings the range of benefits in Canada for persons with dependents from a minimum of \$4.80 per week to a maximum of \$18.30.

As an aid to immigration, the first of a number of proposed employment offices was established in London, England, for the purpose of counselling immigrants concerning employment conditions in Canada. The office will act as a clearance agency and employers desiring immigrants may place the order with the local employment office which will in turn clear the order to Great Britain, providing it does not adversely affect the local situation. Close co-operation exists between this office and the British Ministry of Labour and, if necessary, Canadian orders may be circulated among the labour exchanges in Great Britain.

These offices will be able to provide potential immigrants with up-to-date information on a local basis. Efforts to encourage immigration into areas where workers are needed will be facilitated by endeavouring to provide housing; it is usual clearance practice for employers placing orders in circulation to secure living accommodation for the transferred help. The service of such an office will become increasingly important as various districts reach their capacity of employment. The situation presently developing in British Columbia provides an example where Arthur MacNamara, Deputy Minister of Labour, recently announced that careful consideration should be given before persons from other regions migrate to the Western province.

Table I—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 7550B; Form UIC 745)

	Average Weekly		
	July 1946	June 1948	July 1947
Applicants for work ^x	30,000	32,000	29,000
Vacancies notified.....	26,000	27,000	32,000
Placements.....	16,200	16,600	16,400
Women.....	4,200	4,500	4,500
Veterans.....	2,700	3,600	3,400
Handicapped.....	280	335	270
Executive and Professional.....	75	75	60

^x Does not include renewals.

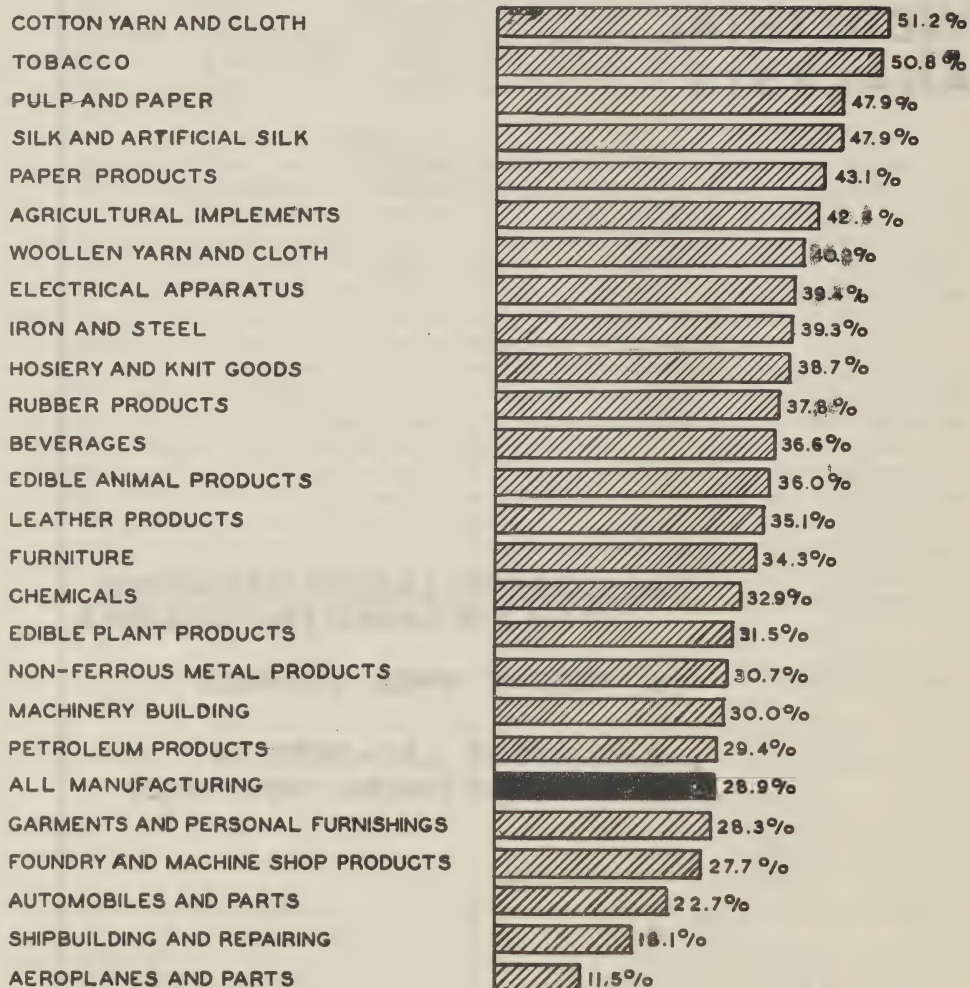
INDUSTRIAL ANALYSIS

- ▲ CURRENT LABOUR SITUATION
IN MAJOR CANADIAN INDUSTRIES
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

MANUFACTURING INDUSTRIES

PERCENTAGE CHANGES IN AVERAGE HOURLY EARNINGS

JUNE 1, 1945 TO JUNE 1, 1948



CURRENT LABOUR SITUATION IN MAJOR CANADIAN INDUSTRIES

During August, employment in Canada reached an all-time record level. Seasonal activity was particularly marked in agriculture and construction. With the exception of contraction in some producer goods and expansion in food canning, other manufacturing industries operated at or near capacity with the general level of employment remaining relatively stable. With more workers available, base metal mines continued to expand.

MANUFACTURING.....

Estimated employment (September 1)1,275,000

The employment situation during August showed little change from the previous month. Some plants closed down completely for vacation periods, but, in most cases, employees were taking holidays on a rotation basis. The supply of labour was generally more adequate than in August 1947, and acute shortages were reported in only a few isolated instances.

This easing of the labour situation has resulted from immigration, as well as from much lower labour turnover and absenteeism rates. Throughout most of the month the normal labour supply was greatly augmented by university and high school students, but, toward the month end, their withdrawal preparatory to the reopening of schools brought about a considerable increase in the number of workers required by employers.

Although most of this year's labour negotiations were completed during the first seven months, a number of collective agreements were signed and substantial wage increases were granted in keeping with the pre-established wage rate pattern. Details of the wage increases granted in accordance with these new contracts are set forth in the following section "Recent Wage Changes." The labour relations situation was generally quiet with no strikes of major consequence reported.

Some of the individual industries within the manufacturing group, namely, radio, rubber, leather and shipbuilding, showed decreases in employment because of an excess of production over demand. The aircraft industry expanded slightly in preparation for the execution of a large contract recently awarded by a British airline; the food canning industry continued to move towards its seasonal peak and requests for additional help were numerous with a fairly satisfactory response reported; the cotton manufacturing section of the primary textile industry continued to add workers as they became available. Operations in the steel using group were restricted because of the current acute shortage of this raw material and in some plants, principally in automobile manufacturing, a considerable number of workers were laid off temporarily.

Other manufacturing industries operated at or near capacity with the general level of employment remaining relatively stable. (Detailed information on the manufacturing industries is contained in the "Employment

Outlook" section which appears elsewhere in this issue.)

Hourly Earnings—Since VE-Day, average hourly earnings have registered substantial gains in all manufacturing industries, with the non-durable goods group showing a greater rise than the durable group because of the much lower rates which prevailed in the latter in the early part of 1945.

The following table shows the changes which occurred in average hourly rates during the three-year period June 1, 1945 to June 1, 1948.

Average Hourly Earnings in Manufacturing Industries
1945 - 1948

(Source: Average Hourly Earnings Bulletin - D.B.S.)

Industry	Average Hourly Earnings		Increase 1945 to 1948	
	June 1, 1945	June 1, 1948	Actual	Per Cent
ALL MANUFACTURING.....	70.3¢	90.6¢	20.3¢	28.9
Non-Durable Goods.....	61.4	84.2	22.8	37.1
Durable Goods.....	77.5	96.9	19.4	25.0
Cotton Yarn and Cloth.....	48.6	73.5	24.9	51.2
Tobacco.....	51.8	78.1	26.3	50.8
Pulp and Paper (Manufacturing).....	72.4	107.1	34.7	47.9
Silk and Artificial Silk.....	49.7	73.5	23.8	47.9
Paper Products.....	55.9	80.0	24.1	43.1
Agricultural Implements.....	77.2	109.9	32.7	42.4
Woollen Yarn and Cloth.....	49.8	69.8	20.0	40.2
Electrical Apparatus.....	70.9	98.8	27.9	39.4
Iron & Steel(Crude, Rolled, Forged).....	77.3	107.7	30.4	39.3
Hosiery and Knit Goods.....	47.8	66.3	18.5	38.7
Rubber Products.....	72.2	99.5	27.3	37.8
Beverages.....	66.2	90.4	24.2	36.6
Edible Animal Products.....	62.8	85.4	22.6	36.0
Leather Products.....	52.1	70.4	18.3	35.1
Furniture.....	58.0	77.9	19.9	34.3
Chemicals.....	68.9	91.6	22.7	32.9
Edible Plant Products.....	55.0	72.3	17.3	31.5
Non-Ferrous Metal Products.....	73.7	96.3	22.6	30.7
Machinery Building.....	73.0	94.9	21.9	30.0
Petroleum Products.....	86.5	111.9	25.4	29.4
Garments and Personal Furnishings...	55.4	71.1	15.7	28.3
Foundry and Machine Shop Products...	77.7	99.2	21.5	27.7
Automobiles and Parts.....	91.6	112.4	20.8	22.7
Shipbuilding and Repairing.....	86.1	101.7	15.6	18.1
Aeroplanes and Parts.....	86.0	95.9	9.9	11.5

AGRICULTURE.....

Estimated Employment (September).....1,350,000

The labour market in agriculture continued in a very active state during August with additional workers being sought to help harvest the various crops. On the whole, the supply of agricultural labour was more satisfactory than last year when an acute shortage existed. Inter-regional movements of workers have been substantial again this year and this efficient utilization of available help has been of great assistance to Canadian farmers.

Crop prospects are very favourable throughout the country with considerable improvement in the outlook for the grain crops in Alberta and Saskatchewan, which were hard hit by early drought conditions. Demand for labour is expected to continue strong until harvesting is completed.

CONSTRUCTION.....

Estimated Employment (September).....325,000

During the first eight months of this year, employment in the construction industry has been running well above the similar period for 1947 and, in fact, is currently at an all time record level.

Dollar value of contracts awarded during the first eight months of 1948 is substantially above that for 1947 and, allowing for price increases, it appears that physical volume is higher. Housing contracts still exceed others with an accumulated total for 1948 of \$665 millions, almost \$200 millions above the comparable 1947 figure. The dollar volume of business, industrial and engineering awards has also been well maintained.

The labour supply-demand situation was much easier than in August of last year, with only a few shortages reported, mostly in the skilled trades. Production of building materials is well ahead of last year and this smoother flow of supplies has enabled the industry to achieve a much more efficient utilization of available labour.

This high level of employment is expected to be maintained until building activity slackens off in the late fall.

MINING.....

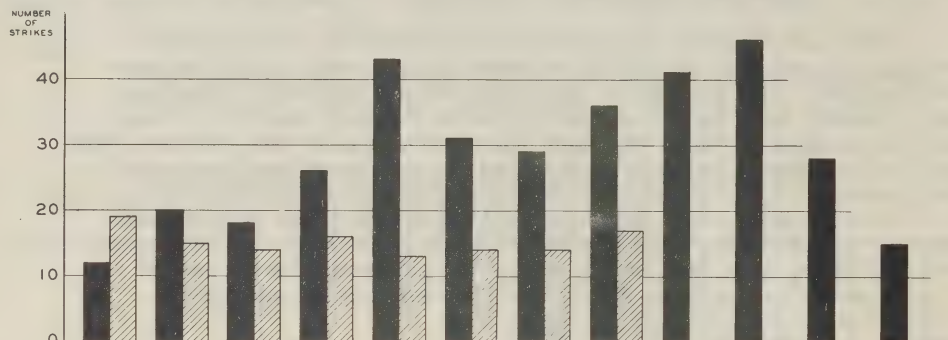
Estimated Employment (September 1).....73,000

The shortage of labour has been less marked during 1948 than in the previous year, although there is a current demand for a considerable number of workers, particularly in the base metal mines. Gold mines are still being hampered by rising production costs and in one or two instances, mines in British Columbia have been compelled to close down. Coal mines in Western Canada will shortly commence their fall seasonal activity and employment will show an increase when farm workers return to the mines after harvesting is completed. (Detailed information on the mining industry is contained in the Employment Outlook Section of this issue.)

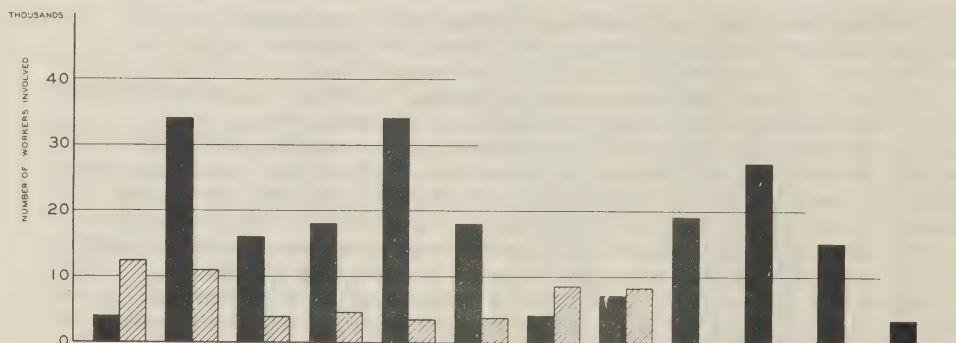
STRIKES AND LOCKOUTS

ALTHOUGH IN THE FIRST 8 MONTHS OF 1948 THERE WERE ONLY ABOUT 34 % FEWER STRIKES THAN IN THE SAME PERIOD OF 1947.....

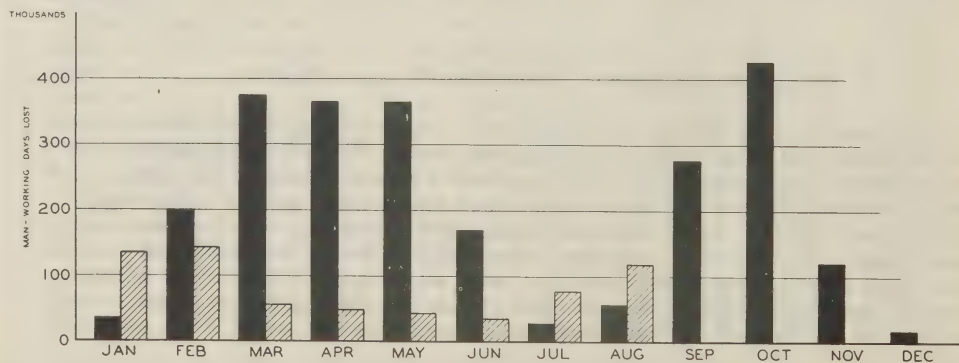
1947 1948



THERE HAVE BEEN ABOUT 56 % FEWER WORKERS INVOLVED.....



AND ABOUT 58 % FEWER MAN-DAYS LOST.....



RECENT WAGE CHANGES

During the latter part of July and the month of August, approximately 42,000 persons were affected by the wage changes published in the following pages. ⁽¹⁾ Most of the workers were employed in the meat packing, automobile and parts and construction industries. Of the total number of persons, 64 per cent received 10 cents or more per hour.

The highlight of labour-management negotiations during August was the peaceful settlement at Canada Packers and Swift Canadian plants, in contrast to the stormy 6 to 8 week strike which preceded the signing of their 1947 agreement. The 1948 wage increase was set at 9.6 per cent of the employee's earnings, the equivalent of from 7 to 13 cents per hour. It is reported that a similar agreement will presently be concluded at Burns & Co., the other major meat packing company. In 1947, packinghouse workers were granted a straight 10 cents per hour.

In the automobile and parts industry group, the Chrysler Corp. has signed a new agreement which granted an hourly increase of 10 cents, as compared with 9 cents granted employees at Ford and General Motors last month.

Employees of a jewellery company at Trenton, Ont., diverged from the upward trend in wage changes when they accepted, for the present, a 5 to 20 per cent reduction in wages in order to keep the plant open. They will operate on this reduced wage scale while a new owner is being installed and negotiations of a new work agreement get under way.

During August some 2,000 persons brought about settlement of their demands through strike action; at the end of the month almost 5,000 workers were still out on strike. The work stoppage at McKinnon Industries, manufacturers of automobile parts, involved some 2,600 workers, and, because of the consequent shortage of component parts, the whole automobile industry has been affected.

Wage talks continued among lumbermen in British Columbia and Northern Ontario and Quebec, and among dockworkers at Vancouver, B.C. and Saint John, N.B. The policy committee of the Maritime United Mine Workers has recommended that the union press for a daily wage increase of \$2.56 when the present contract expires on January 31, 1949.

(1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices, and the Employment Forecast Survey. The average hourly earnings quoted in the following tables are as at June 1, 1948, as published by the Dominion Bureau of Statistics.

RECENT ANNOUNCEMENTS OF WAGE INCREASES

Industry	Average Hourly Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MINING Non-met. Mining (except coal)	110.6	Horseshoe Lake Co. Midwest Chem. Ltd.	Ormiston, Sask. Palo, Sask.	17¢	Aug. 25/48	70
	94.0			5¢	Apr. 1/48	45
				5¢	Aug. 13/48	
LOGGING		Anglo-Can. Pulp & Paper Mills Ltd.	Forestville, P.Q.	5-35¢	June 1/48	200
		Que. North Shore Paper Co.	Baie Comeau, P.Q.	10-25¢	Apr. 1/48	200
MANUFACTURING Meat Products	90.6	Canada Packers Ltd.	Edmonton, Alta.	7-13¢	Aug. 20/48	610
	95.3		Hull, P.Q.	"	"	380
			Montreal, P.Q.	"	"	1,075
			Quebec, P.Q.	"	"	20
			Toronto, Ont.	"	"	405
			Peterborough, Ont.	"	"	285
			St. Boniface, Man.	"	"	1,980
			Vancouver, B.C.	"	"	175
			Sydney, N.S.	"	"	20
			Charlottetown, PEI	"	"	115
			Swift Canadian Co. Ltd.			
			Moncton, N.B.	7½-13¢	Aug. 21/48	220
			Toronto, Ont.	"	"	1,015
			St. Boniface, Man.	"	"	725
			Moose Jaw, Sask.	"	"	490
			Edmonton, Alta.	"	"	830
			New Westminster, B.C.	"	"	165
Leather Products	70.4	Fur Manufacturing Guild Inc.	Montreal, P.Q.	10%	May 1/48	1,600
Furniture	77.9	Knechtels Ltd.	Hanover, Ont.	8¢	Aug. 21/48	300
		Peppler Bros. Ltd.	" "	"	"	120
		Knechtels Cabinets Ltd.	" "	"	"	95
		Frame Mfg. Co.	Montreal, P.Q.	6¢	June 15/48	50
		Harris Furniture & Chair Co. Ltd.	Owen Sound, Ont.	3¢	June 17/48	115
Musicals Instruments	78.1	Lesage Pianos Ltd.	Ste. Therese, P.Q.	7¢	Aug. 1/48	45
Flour & Other Milled Products	86.9	Kellogg Co. of Can. Ltd.	London, Ont.	10¢	July 15/48	560
		Atlantic Sugar Refineries Ltd.	St. John, N.B.	15%	Sept. 1/48	500

RECENT ANNOUNCEMENTS OF WAGE INCREASES (Cont'd)

Industry	Average Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MANUFACTURING (Con.)	¢					
Fruit & Vegetable Preserving	69.0	28-Fruit & Vegetable Packing Plants	Okanagan Valley, B.C.	5-8¢	May 1/48	4,000
Bread & Bakery Products	72.4	North-West Bakery	Winnipeg, Man.	5¢	Aug. 1/48	20
		Maple Leaf Bakery	" "	"	"	15
		Tasty Bread Co.	" "	"	"	10
		Ukrainian Bakery	" "	"	"	15
		Buckwold's Electric Bakery	" "	"	"	15
		City Bread Co. Ltd.	" "	"	"	25
		Weston's Bread & Cake Ltd.	Moose Jaw, Sask.	15%	Aug. 29/48	30
		Canadian Bakeries	" "	"	"	25
Paper Products	80.0	Brantford Roofing Co.	Brantford, Ont.	7¢	July 1/48	110
		Premier Paper Box Co.	Montreal, P.Q.	7-10¢	Apr. 1/48	340
		Standard Paper Box Co.	" "	"	"	490
Rubber Products	99.5	Dominion Rubber Co. Banbury Department	Kitchener, Ont.	6 ³ / ₄ ¢	Aug. 31/48	50
Textile Products	71.3	Wright's Can. Ropes Ltd.	Vancouver, B.C.	14¢	Aug. 1/48	75
Cotton Yarn & Cloth	73.5	Montreal Cottons Ltd.	Valleyfield, P.Q.	10¢	Sept. 20/48	3,000
Woollen Yarn & Cloth	69.8	Tayside Textiles Ltd.	Perth, Ont.	10¢	July 10/48	120
		Bates & Innes Ltd.	Carleton Place, Ont.	10¢	June 21/48	250
		Porritts & Spencer (Can.) Ltd.	Hamilton, Ont.	10¢	July 1/48	170
		Guelph Carpet & Worsted Spinning Mills	Guelph, Ont.	4¢	Aug. 18/48	145
		Bridgeport Fabrics of Can. Ltd.	St. Hyacinthe, P.Q.	20%	May 31/48	25
Hosiery & Knit Goods	66.3	Williams-Trow Knitting Co.	Stratford, Ont.	5¢	Aug. 2/48	120
Apparelments & Personal Furn.	71.1	Empire Shirt Co.	Louiseville, P.Q.	10%	Aug. 1/48	500

RECENT ANNOUNCEMENTS OF WAGE INCREASES (Cont'd)

Industry	Average Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MANUFACTURING (Con)						
Chemicals & Allied Products	91.6	Can. Industries Ltd.	Sudbury, Ont.	13¢	July 11/48	45
Glass Products	84.3	Hobbs Glass Ltd.	London, Ont.	7¢	July 26/48	120
Lime, Gypsum & Cement Products	88.5	Gypsum, Lime, & Alabastine Ltd.	New Westminster, BC	12½¢	June 15/48	110
Electrical Apparatus	98.8	Gould Storage Battery Ltd.	Kingston, Ont.	10¢	Apr. 1/48	45
		Walker Metal Products Ltd.	Windsor, Ont.	7-18¢	Aug. 9/48	545
		Federal Electrical Manufacturing Co.	Montreal, P.Q.	8¢	Jan. 10/48	100
		Amalgamated Electrical Corp.	Toronto, Ont.	6¢	May 5/48	745
Machinery Other than Vehicles	94.9	Alliance Tool & Motor Co. Ltd.	Toronto, Ont.	5¢	June 23/48	90
		Singer Mfg. Co.	Saint John, P.Q.	11-13¢	Dec. 1/48	2,100
		Bendix-Eclipse of Can. Ltd.	Windsor, Ont.	12¢	Aug. 18/48	325
		Can. Allis Chalmers Ltd.	Montreal, P.Q.	10¢	May 22/48	285
		John Bertram & Sons Co. Ltd.	Dundas, Ont.	15¢	Aug. 20/48	650
Automobiles & Parts	112.4	Ont. Steel Products	Chatham, Ont.	11-13¢	Aug. 10/48	470
			Oshawa, Ont.	12¢	Aug. 1/48	90
		Motor Products Corp.	Walkerville, Ont.	12-14¢	Aug. 16/48	540
		Kelsey Wheel Co. Ltd.	Windsor, Ont.	12¢	Aug. 16/48	300
		Chrysler Corp. of Can.	Chatham, Ont.	11¢	Aug. 3/48	450
			Windsor, Ont.	"	"	3,500
		Guelph Spring & Axle Co.	Guelph, Ont.	7½¢	Aug. 26/48	20
Aeroplanes & Parts	95.9	Holmes Foundry Co. Ltd.	Sarnia, Ont.	9¢	Aug. 26/48	400
Iron & Steel Fabrication	99.4	A. V. Roe Canada Ltd.	Toronto, Ont.	10¢	Aug. 12/48	1,000
		Trape Co. of Can. Ltd.	Toronto, Ont.	12-17¢	July 30/48	170
		A. Belanger Ltd.	Montmagny, P.Q.	10¢	Aug. 21/48	270
		Accessories Mfg. Co.	Montreal, P.Q.	10¢	Aug. 5/48	225

RECENT ANNOUNCEMENTS OF WAGE INCREASES (Cont'd)

Industry	Average Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MANUFACTURING (Con.)						
Sheet Metal Work	92.4	Continental Can. Co.	Toronto, Ont.	10-18¢	Aug. 10/48	400
Preparation of Non-ferrous Metallic Ores	103.3	Falconbridge Nickel Mines Ltd.	Falconbridge, Ont.	13¢	Aug. 6/48	970
Brass & Copper Manufacturing	95.5	Coulter Copper & Brass Co. Ltd.	Toronto, Ont.	25¢	Aug. 12/48	15
Non-metallic Mineral Prod.	105.5	Philip Carey Co. Ltd. Alberta Ice Co. Ltd. Pure Ice Co. Ltd.	Lennoxville, P.Q. Calgary, Alta. " "	10¢ 14-18¢ "	Aug. 24/48 Aug. 14/48 "	210 45 20
Petroleum & its Products	111.9	Shell Oil Co. of B.C. Imperial Oil Ltd.	Shellburn, B.C. Ioco, B.C.	11-19¢ "	July 1/48 "	180 310
COMMUNICATION		Manitoba Telephone System-Electricians	Prov. of Manitoba	(a)	May 1/48	200
TRANSPORTATION Local	93.0	Tram Taxi Co. Royal City Taxi Co. Winnipeg Electric Co.- Linesmen	Vancouver, B.C. " " Winnipeg, Man.	25¢ " 8¢	Aug. 17/48 " Mar. 1/48	15 20 40
CONSTRUCTION Building	99.5	Carpenters Painters & Decorators Plumbers Carpenters Plumbers Painters & Decorators Carpenters Plumbers Labourers at 8-Co's	Greater Vancouver " B.C. Winnipeg, Man. Courtenay, B.C. Calgary, Alta. " " Saint John, N.B. Kitchener, Ont. Windsor, Ont.	15¢ 12¢ 15¢ 15¢ 15¢ 10¢ 5¢ 10¢ 15¢	Aug. 10/48 Sept. 1/48 July 1/48 Sept. 1/48 May 1/48 July 1/48 Sept. 1/48 July 23/48 Aug. 20/48	3,000 500 200 80 110 80 475 105 500

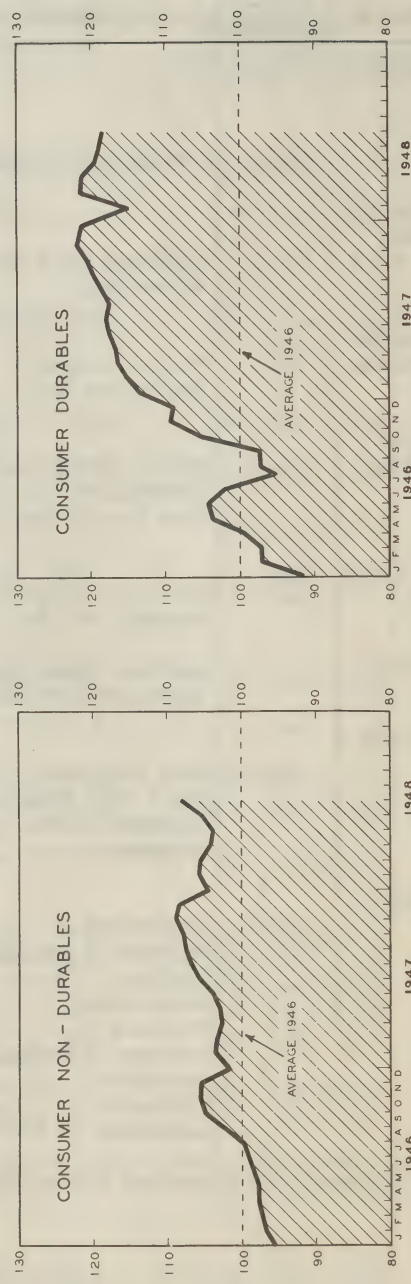
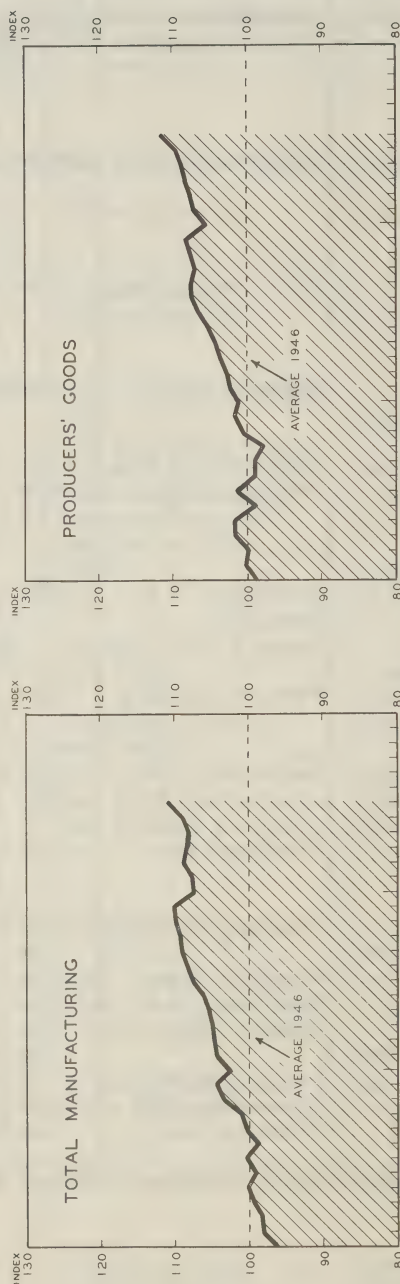
(a) Manitoba Telephone System Electricians & Groundmen received \$15 per month.

EMPLOYMENT TRENDS

MAJOR MANUFACTURING INDUSTRIAL GROUPS

(INDUSTRIES GROUPED ACCORDING TO GENERAL USE OF PRODUCTS)

1946 - 1947 - 1948



CURRENT LAY - OFFS IN MANUFACTURING INDUSTRIES

Approximately 3,554 workers were affected by lay-offs during July. Shortages of orders accounted for 47 per cent of the total, with the automobile industry most severely affected. Shortages of orders accounted for 23 per cent; most of these were concentrated in the rubber, textile and transportation equipment manufacturing industries.

With seasonal activity nearing its peak during the month of August, the number of lay-offs showed a considerable decline over the previous month. Reported lay-offs during the month amounted to only 3,554, a decrease of 46 per cent from the July figure of 6,620.(1)

Order shortages were the main cause of lay-offs during August, these accounted for slightly over 45 per cent of the total. Material shortages were responsible for 23 per cent; seasonal reasons 4 per cent; and other causes, 27 per cent. For the most part, lay-offs which are currently taking place are of a temporary nature. The workers involved, therefore, can find work in other fields where shortages of labour continue to exist.

The industries most severely affected by shortages of orders were the rubber, textile, and manufacturing of transportation equipment. Rubber workers have suffered most. With the backlog of civilian orders exhausted, and export markets weakened, due to the dollar shortage, rubber manufacturers have been forced to curtail production. Another 960 employees were laid off during August.

Material shortages have been responsible for several lay-offs. Automobile manufacturers, especially, have been hampered by shortages, as a result of strikes in related industries supplying component parts.

The remaining lay-offs that have taken place are due to a variety of other causes. One large textile firm was forced to close down for several days when a large transformer supplying electrical power blew out, resulting in a temporary lay-off of 540 employees. Seasonal shortages of raw materials also caused work stoppages in two flour mills.

Statistical data on lay-offs have been compiled from information obtained from National Employment Service office reports. The information is not necessarily complete, but does include data on all major lay-offs.

Table I—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause.

Cause of Lay-off	June, 1948		July, 1948		August, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders.....	1,246	21.0	1,377	20.8	1,653	46.5
Shortage of Materials.....	91	1.5	4,701	71.0	816	23.0
Seasonal.....	150	2.5	45	0.7	134	3.8
Other Causes.....	4,442	75.0	497	7.5	951	26.7
Total.....	5,929	100.0	6,620	100.0	3,554	100.0

Table 2—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry

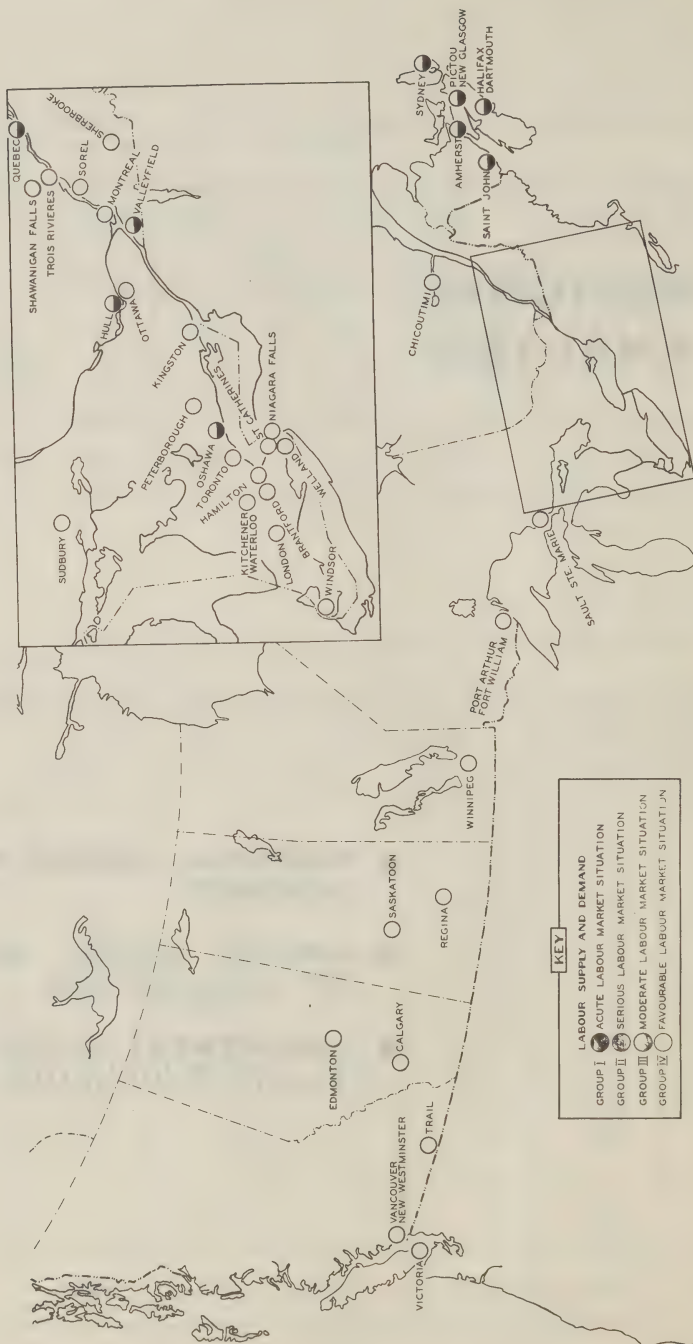
Industry	June, 1948		July, 1948		August, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages.....	25	0.4	62	0.9	220	6.2
Tobacco Products.....	-	-	-	-	5	0.1
Rubber Products.....	230	3.9	677	10.2	960	27.0
Leather Products.....	35	0.6	-	-	13	0.4
Textile Products.....	297	5.0	100	1.5	705	19.8
Clothing.....	240	4.1	65	1.0	45	1.3
Wood Products.....	4,105	69.2	130	2.0	212	6.0
Paper Products.....	78	1.3	12	0.2	122	3.4
Iron and Steel.....	95	1.6	149	2.3	130	3.7
Transportation Equipment	211	3.6	5,315	80.3	780	21.9
Non-Ferrous Metals.....	358	6.0	35	0.5	120	3.4
Electrical Apparatus....	249	4.2	65	1.0	101	2.8
Non-Metallic Mineral Products.....	-	-	10	0.1	41	1.2
Chemical Products.....	6	0.1	-	-	60	1.7
Miscellaneous.....	-	-	-	-	40	1.1
Total.....	5,929	100.0	6,620	100.0	3,554	100.0

REGIONAL ANALYSIS

- ▲ REGIONAL LABOUR MARKET
SUMMARY**
- ▲ LABOUR MARKET RATING
OF COMMUNITIES**
- ▲ EMPLOYMENT EFFECTS OF
PLANT EXPANSION**

A CLASSIFICATION OF CANADIAN LABOUR MARKET AREAS

AS AT AUGUST 1, 1948



REGIONAL LABOUR MARKET SUMMARY

During August, employment was rapidly reaching a summer peak in all regions. Labour market conditions were exceedingly good in the Ontario, Quebec and Prairie regions. Except in the seasonally active industries, employment opportunities were less favourable in the Maritime and Pacific regions.

The Maritimes

During August, employment conditions showed little improvement in comparison with July. The construction industry has either reached or almost reached peak employment in most parts of the Maritimes; employment in the fishing industry was high but remained stable during August; manufacturing industry required few workers after the holiday period, and agricultural labour demand was readily met.

The hay harvest was completed in nearly all parts of the Maritime region, and bumper crops were numerous. Demand for farm labour was relatively light during August, but by the end of September several thousand men and women will be employed in potato and other harvest work. No agricultural labour shortage is expected to develop. About 1,200 workers registered with the Edmunston employment office during August for work in Maine, U.S.A., but only about 600 will be required in September. The premature influx of transient labour to New Brunswick potato growing districts has presented a temporary employment problem in the areas concerned. The disposal of the Maritime apple crop has not yet been settled but about 1,000 workers will be required to harvest the crop in mid-September. Some processing plants in the Annapolis valley are now busy with early vegetables.

The fishing industry, while it did not provide many additional jobs during August, is very active, and most fishing crews were built up earlier in the year. Deep sea fishing has been very successful with large catches, and a good market for produce; the herring run has been very light this year and Liverpool reports that a shortage of bait for winter operations will probably result.

Few employment changes occurred in the major iron and steel and coal mining industries. Most plants were working at full production with few labour requirements. Some smaller coal mines were working short time because of lack of orders but the industry as a whole was very busy.

The construction industry is largely responsible for the improved employment conditions in 1948 compared to 1947. Most skilled men will be employed until late fall. In New Brunswick, most able-bodied men, unable to secure work in other industry, have secured seasonal work in construction. Construction work in Nova Scotia lagged behind that of New Brunswick and some improvement is still expected in September.

Quebec

With hiring activity during August mostly concentrated in construction and other non-manufacturing industries, employment conditions continued to show an improvement comparable with July. There were only about 2,000 more unplaced applicants at the end of August 1948 than at the same time last year. General employment conditions were very good in nearly all parts of the region.

Agricultural production promises to be better than last year; harvest operations were in progress in nearly all areas by the end of August but no labour shortage has been encountered. The organized movement of Quebec workers to assist in the Prairie harvest commenced during August; others were securing employment in Maine harvest operations slated for September.

With logging drives completed for the most part, camps are being prepared for the winter cut. Early labour needs in September may be difficult to fill if hot weather prevails, but as construction work tapers off, the labour supply will be adequate. By November, thousands of men will be employed in the cutting operations.

By the end of August, manufacturing industry showed signs of higher activity after the holiday season, and employment opportunities were generally more numerous. A shortage of iron and steel may cause a shut-down of some branches of the Canadian Allis-Chalmers and Dominion Bridge Co. plants at Montreal. Labour demand was higher in secondary than in primary textile manufacturing, and shortages of female workers are numerous.

Construction work continued at an exceedingly high level; in some smaller centres, up to 60 per cent of the labour force was engaged in this type of work. Continued high activity is expected during September and October. Shortages of skilled workmen were general but not acute. Many unskilled applicants, unsuitable for jobs in manufacturing, were absorbed into construction work.

Ontario

Employment conditions in the Ontario region continued to improve during August. By the end of the month with the holiday season over, demand in manufacturing industry was growing; construction labour demand remained high, and fruit and vegetable picking and canning operations required several thousand workers. When students return to school in September many replacements will be required, particularly in the trade and service industry, where a resultant labour shortage is expected. Many students leaving manufacturing firms may not be replaced as they were employed to fill in for workers on holidays.

Since nearly all able-bodied men are working, employers in need of help may accept more older workers and married women. Canning plants offer many temporary jobs for married women, and other workers whom other manufacturing industry is slow to absorb.

By the end of August harvest work was largely completed and threshing of grains well progressed. With peak labour needs past, there are sufficient workers to supply the bulk of present farm labour demand. Many men are registering for Prairie harvest work and are being despatched to the west. Most of the Prairie workers who assisted in the Ontario

harvest have returned home. The demand for fruit, vegetable, and tobacco pickers increased during August, and in some main centres a shortage of workers is developing.

Hiring activity in manufacturing industry showed considerable strengthening during the latter part of August. Employment in the automotive industry returned to normal in both Windsor and Oshawa, and in Windsor labour demand was considerable. The McKinnon Industries Ltd. plant was entirely closed down in the latter part of August, but by the end of the month many of the 3,000 workers involved in the strike had secured temporary employment of some kind. Nearly all large manufacturing plants reopening after holidays had some requirements for labour. Demand for textile workers, foundry labour, and good type general factory labour was persistent, with a shortage of applicants in many cases. The radio industry showed a slight strengthening during the month. Some rubber plants were forced to transfer workers from slack departments to those working at full capacity.

The Prairies

Seasonal labour demand was accelerated considerably during August as harvest operations accelerated in most sections of the Prairie provinces. The ending of the holiday season in manufacturing, and the continued high level of construction activity contributed to a very high level of employment throughout the region which is expected to continue until late fall.

By the end of August, there were only 11,100 unplaced applicants in the entire region compared with 12,850 at the same time in 1947. Nearly all districts reported full employment, and consequently placements of older workers, married women, and handicapped persons were high.

Crop conditions in most parts of the region were much better than previously expected and yields of most grains were well above average in many districts. Harvest operations were in full swing in the Prairie region by the end of August. Transient labour and eastern harvesters met the bulk of the farm labour demand in August.

Coal mines at Drumheller, Edson, Blairmore, and Lethbridge were all very active during August. Demand for skilled miners was very high with applicants extremely scarce. The steady demand for general mine labour was also relatively difficult to meet and will remain so until the harvest is over. Both oil drilling and exploration work in Alberta were very extensive. Construction on the Imperial Oil refinery at Edmonton is nearing completion.

By September nearly all flour mills in the Prairie region will be hiring workers. Cereal manufacturing companies will also be very active. Meat packing plants were very quiet during August, with employment slightly lower than at this time last year; little change is expected until fall. The textile industry has recovered from a seasonal slump, and labour demand is increasing rapidly as the fall rush period approaches. There is a shortage of both skilled machine operators and trainees in the Winnipeg area. The trade and service industries became more active by the end of August and in some cases labour requirements were hard to meet.

British Columbia

Employment conditions had reached a summer peak by the end of August. The lumber and logging industries were then working at capacity. Both the construction and agricultural industries were temporarily hampered by the severe and prolonged rainfall in mid-August, but, by the end of the month, labour demand was increasing.

There were 15,800 unplaced applicants registered in the Pacific region at the end of August, representing a drop of some 1,600 during the month. On Vancouver Island and in logging and lumbering districts of the mainland, virtually any suitable labourer could secure employment. However, the bulk of the unplaced applicants in the Pacific region are centred in Vancouver; in this district, applicants completely outnumber job openings.

Agricultural work absorbed many workers by the end of August as fruit picking operations speeded up, and some 8,000 workers were busily engaged in picking hops. There was some damage caused to hay and grain crops because of rain; in this branch of the industry, labour demand has remained light compared to fruit growing operations. So far, sufficient local and transient labour was available for agricultural work. Vegetable canning was active, except in the New Westminster area where the heavy rainfall delayed crops.

Logging and lumbering operations both on Vancouver Island and the mainland were extremely active by the end of August. Moisture conditions during the month have lessened the fire hazard and operations should continue uninterrupted, barring a labour dispute. Many saw-mills shut down for two weeks during the month for overhauling and repairs, but most mills were in full operation by the first of September. The shortage of labour in the logging industry will probably persist until the annual migration of prairie workers commences about October. Many prairie workers, however, are already employed in this industry. The demand for certified miners showed a marked increase during August with few applicants available. Construction activity was considerable with the supply of unskilled labour evenly balancing job openings.

Aside from lumbering operations there was little change in manufacturing employment during August. Machine shops and foundries are fairly active, and some skilled workers, and foundry help could be used. The Victoria Machinery Depot has procured a large reconversion job which will mean employment for about 300 men for a year, starting sometime in September. Vancouver shipyards remain relatively slack and no new contracts have been announced as yet. The Victoria Manning Lumber Company has almost completed negotiations for the purchase of Yarrows Ltd. No. 2 Yard.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unemployed applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at August 1, 1948, at July 1, 1948, and at August 1, 1947.

This classification is based on a ratio of unemployed applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I — Areas in which there are more than 300 unemployed applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II — Areas in which there are between 150 and 300 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III — Areas in which there are from 50 to 150 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV — Areas in which there are under 50 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying market conditions as they are pictured by the local National Employment Service office. The ratings for July and August of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Group Rating		
	July 1, 1948	June 1, 1948	July 1, 1947
<u>Population of 100,000 and over</u>			
Quebec.....	III	III	III
Vancouver.....	IV	III	III
Windsor.....	IV	III	III
Victoria.....	IV	IV	IV
Winnipeg.....	IV	IV	IV
Calgary.....	IV	IV	IV
Ottawa.....	IV	IV	III
Hamilton.....	IV	IV	IV
Edmonton.....	IV	IV	IV
Montreal.....	IV	IV	IV
Toronto.....	IV	IV	IV
<u>Population of 50,000 to 100,000</u>			
Sydney.....	III	II	II
Saint John.....	III	III	III
Halifax.....	III	III	III
Fort William-Port Arthur.....	IV	IV	IV
London.....	IV	IV	IV
Regina.....	IV	IV	IV
Kitchener-Waterloo.....	IV	IV	IV
<u>Population of 25,000 to 50,000</u>			
Hull.....	III	III	III
Oshawa.....	III	III	III
Shawinigan Falls.....	IV	IV	IV
Three Rivers.....	IV	IV	III
Kingston.....	IV	IV	IV
Saskatoon.....	IV	IV	IV
St. Catharines.....	IV	IV	IV
Chicoutimi.....	IV	IV	IV
Sherbrooke.....	IV	IV	IV
Sudbury.....	IV	IV	IV
Brantford.....	IV	IV	IV
Peterborough.....	IV	IV	IV
Sault Ste. Marie.....	IV	IV	IV
<u>Population of under 25,000</u>			
Pictou - New Glasgow.....	III	III	II
Valleyfield.....	III	III	III
Amherst.....	III	III	III
Welland.....	IV	IV	IV
Sorel.....	IV	IV	IV
Trail.....	IV	IV	IV
Niagara Falls.....	IV	IV	IV

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The value of contracts awarded during August continues to show a probable small decline in industrial expansion during 1948 as compared to 1947. Many British firms now are interested in establishing Canadian plants, since the British government has eased the restrictions preventing capital investment in Canada.

During the month of August, the value of contracts awarded for industrial construction was \$5.6 million compared to \$8.0 million in August, 1947. The value of industrial contracts awarded in the first eight months of 1948 was \$46.5 million, a decline of \$11.0 million from the \$57.5 million value of contracts awarded during the first eight months of 1947.

The continued expansion of Canadian industry through investment of Canadian capital has been supplemented by new industrial projects sponsored by both British and U. S. interests. Following the recent lifting of restrictions by the British government on the investment of British capital outside the country, several firms have indicated intentions of establishing branch plants in Canada. Among these are: two large motor companies, Austin of England and the Leland Motor Co.; a large confectionary firm, Peek Frean Co.; and an electrical apparatus manufacturing firm, Pye Ltd.

Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore more important to the particular area where the new industries are located.

For these reasons, therefore, a listing by industry within each area of all such capital expansion, whether it will be a new plant, a plant expansion, or the occupation of empty plant facilities, is provided in this section of the Canadian Labour Market from month to month. The type of expansion taking place is denoted as follows: new plant - N.P., plant expansion - P. E., and occupation of present plant facilities - P.F. Estimates are also given of the date of completion and the number of additional workers likely to be employed when operations are underway.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION

Area	Industry and Name of Company	Type of Expan- sion	Possible Number of New Employees	Probable Time of Commence- ment of Production
Halifax, N.S.	Electrical Apparatus Cosser Canada Limited	P.F.	100	4th Qtr/48
Montreal, P.Q.	Secondary Iron and Steel Specialloid (Canada)	P.F.	90	3rd Qtr/48
	Electrical Apparatus Canadian General Electric Ltd.	P.F.	900	4th Qtr/48
Shawinigan Falls, P.Q.	Chemicals Canadian Industries Ltd.	N.P.	30	3rd Qtr/49
Cornwall, Ont.	Non-Metallic Minerals (Mica) Suzorite Co. Ltd.	P.F.	20	3rd Qtr/48
Guelph, Ont.	Secondary Iron and Steel Dexter Lock (Canada) Ltd.	P.F.	35	4th Qtr/48
Hamilton, Ont.	Secondary Iron and Steel Austin Motor Co. Ltd.	P.F.	2,000	4th Qtr/48
Lindsay, Ont.	Chemicals Visking Corporation	N.P.	200	1950
Orillia, Ont.	Electrical Apparatus Thermax Ltd.	P.F.	30	4th Qtr/48
Pembroke, Ont.	Wood and Lumber Products Canadian Veneers Ltd.	N.P.	400	4th Qtr/48
Toronto, Ont.	Confectionery Peek Frean Co.	N.P.	700	4th Qtr/48
	Aerial Photography Halliday Photo Surveys	N.P.	700	4th Qtr/48
Windsor, Ont.	Secondary Iron and Steel General Detroit of Canada	P.F.	35	3rd Qtr/48
Medicine Hat, Alta.	Chemicals Perfex Ltd.	P.F.	17	3rd Qtr/48
Quesnel, B.C.	Wood and Lumber Products Western Plywood Co. Ltd.	N.P.	100	1st Qtr/48

A N A D I A N

LABOUR MARKET

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DEPT. OF POLITICAL ECONOMY

September 1948

BAROMETRICS FILE " "

Government

FEATURE ARTICLE.....

Publications

Trends of Collective
Bargaining in 1948

Volume 4

Number 9

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CANADIAN LABOUR MARKET

Research and Statistics Branch
Department of Labour

authorized by

Hon. Humphrey Mitchell, Minister
and

Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

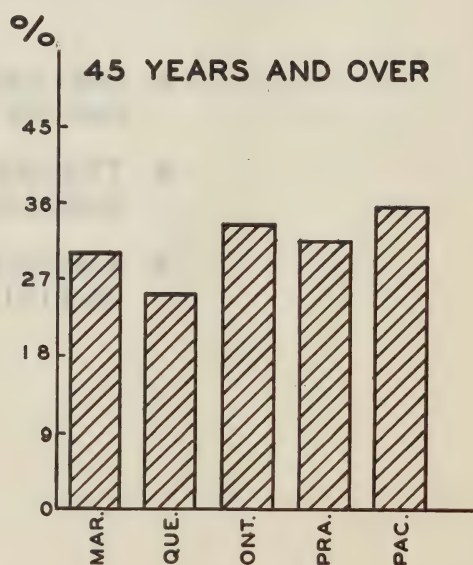
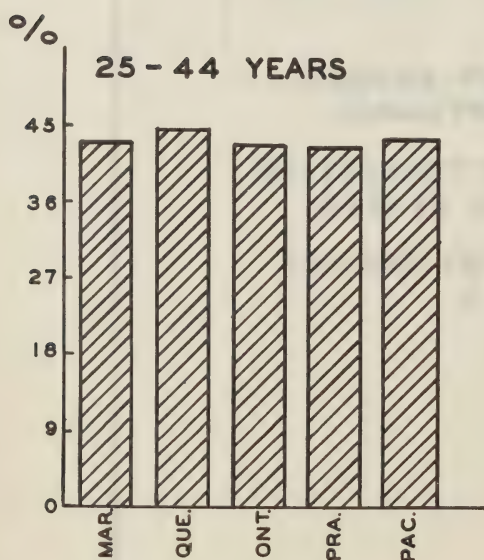
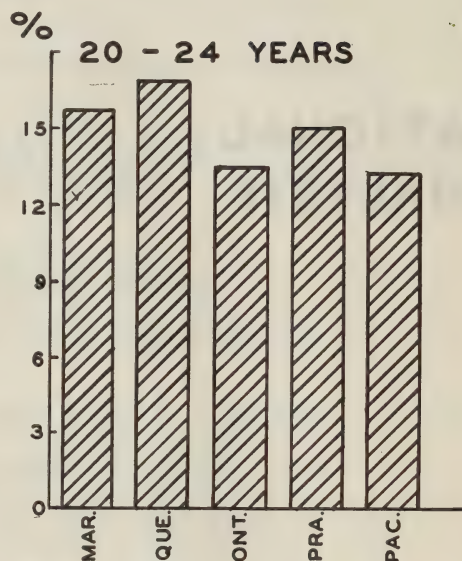
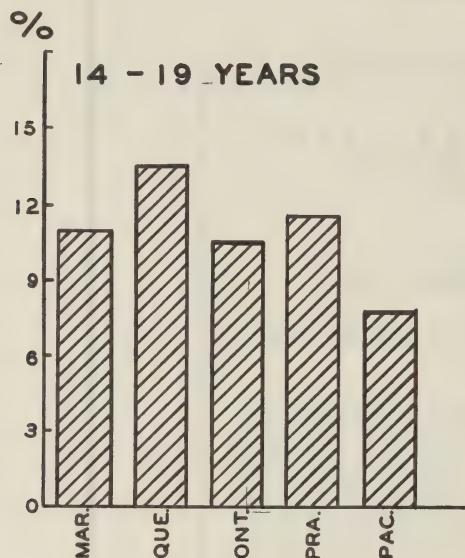
The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING SEPTEMBER**
- ▲ TRENDS OF COLLECTIVE
BARGAINING IN 1948**
- ▲ EMPLOYMENT SERVICE
ACTIVITIES**

AGE COMPOSITION OF REGIONAL LABOUR FORCES.....

(JUNE 5, 1948)



Note: Lower scale three times upper scale.

THE LABOUR MARKET DURING SEPTEMBER

The seasonal peak of employment in Canada was reached during September. Unemployment dropped to its lowest point, well under 100,000. The withdrawal of students, the upsurge of seasonal manufacturing industries, continued high construction employment, and the initial increase in logging activity, all contributed to a tight labour market despite some easing in farm labour demand by the end of the month.

Employment in Canada reached an all-time peak estimated at 5,150,000 during September. Most of the workers who were idle during the month, numbering less than two per cent of the labour force, were either moving from one job to another as seasonal shifts commenced or were not suited for the jobs that were available.

General shortages of labour continue throughout the country. These are most severe in the very highly skilled trades, the relatively low paying fields, and in those jobs where working conditions are severe or where heavy labour or unattractive work is necessary. Thus, for instance, there is a general need for skilled and experienced construction workers, hardrock miners, textile workers, foundry workers, waitresses, and domestics.

Labour turnover continues low. It is highest in the lower paying fields, since workers are constantly leaving in an attempt to secure higher paying jobs, and in the smaller more marginal firms in each industry where conditions of work and wages are not usually as attractive as in the larger companies.

Productivity is increasing in the larger firms, primarily because of increased mechanization and improving working conditions.

In the Maritimes, employment conditions continue to be better than in 1947. The seasonal industries, however, are the major props behind this improvement and as activity in them decreases in the next few months, unemployment may approximate last year's level in the coming winter.

In Quebec, general shortages of labour exist. Some of these will disappear in the winter months, such as those for heavy labour and unskilled construction workers, but employment prospects for next spring

indicate continued and re-appearing shortages. About 10,000 to 12,000 workers, for instance, will be required in the Labrador district next May if all goes according to plan.

In Ontario, the electric power shortage is threatening the winter level of employment. To date, only a few lay-offs have occurred. Weather conditions will primarily determine future developments. At present, activity is increasing in many of the seasonal manufacturing firms.

In the Prairies, farm work is nearing completion and many agricultural workers are beginning to move to the cities in search of winter work. Logging, too, will absorb many of these workers, although such jobs do not appear in number until in October and early in November. A definite shortage of workers of all types in the whole manufacturing field also exists. No serious unemployment in this region is expected during the winter.

In British Columbia, there are not yet any signs of a large seasonal migration of workers from other areas for the winter months, although a small stream of transients is constantly entering the area. Many of the current arrivals are recent immigrants from the United Kingdom and have little difficulty in securing jobs due to their training and experience. Although unemployment is currently relatively higher than in any other area, many of the job seekers have other sources of income (pensioners) or are married women. Rising costs have forced some marginal gold mines to close down, but most of the workers affected have secured other jobs.

All in all, unemployment will likely be only slightly higher this winter than last. This is to be expected since the labour force has grown in size both because of its own natural increase and the immigration of about 100,000 persons during 1948.

ECONOMIC INDICATORS OF THE CANADIAN LABOUR MARKET

Note:-All figures pertain to the reporting date nearest the first of each month, except for those on population, labour income, strikes and lockouts, and production which are taken during the month. Latest figures are subject to revision.

	Sept. 1948	Aug. 1948	July 1948	June 1948	Aug. 1946	Aug. 1945	Aug. 1943	Aug. 1939
Population:-								
Births (a).....000's	-	14.6	15.5	14.7	14.8	11.3	11.9	7.2
Deaths (a).....000's	-	4.9	4.9	5.0	4.6	4.6	4.4	3.9
Immigration.....000's	-	11.0	11.1	15.3	9.4	1.7	.9	1.9
Civilian Labour Force:-								
Number.....000's	-	-	-	5,030	-	-	-	-
Employment:-								
Number.....000's	-	-	-	4,948	-	-	-	-
Index (b).....Av.1926=100	-	198.9	196.3	190.8	171.5	172.8	183.0	117.5
Female (b).....%	-	21.3	21.7	21.9	23.0	-	-	-
Unemployment:-								
Number.....000's	-	-	-	82	-	-	-	-
Unplaced applicants (c).....000's	88	96	119	131	160	76	70	-
Live claims.....000's	44	49	57	71	69	19	1	-
Earnings and Hours:-								
Labour income.....\$000,000's	-	-	596	583	439	-	-	-
Per capita wkly. earnings (d)....\$	-	39.07	38.77	38.11	30.10	30.79	-	-
Average hrly. earnings (d).....%	-	92.8	92.3	91.4	70.0	69.5	-	-
Average real weekly earnings (e) Av. 1946=100	-	101.5	101.1	101.0	98.0	104.5	-	-
Average hours per week (d).....	-	42.1	42.0	41.7	43.0	44.3	-	-
Cost of Living:-								
Index.....Av. 1935-39=100	158.9	157.5	156.9	154.3	125.6	120.5	119.2	100.8
Strikes and Lockouts:-								
Workers involved.....000's	12	8	9	4	43	13	36	12
Man-working days lost.....000's	118	120	80	35	871	41	240	32
Industrial Production:-								
Index.....Av. 1935-39=100	-	174.8	175.1	179.5	149.7	170.6	197.8	109.5

(a) In cities, towns, and villages of 10,000 or more persons.

(b) Based on firms of 15 or more workers, in the nine leading industries.

(c) Registered with National Employment Service Offices.

(d) Wage earners in manufacturing only.

(e) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

CALENDAR OF LABOUR MARKET EVENTS

September, 1948.

- Sept. 1 The Canadian Lake Seamen's Union merged into the Seafarers' International Union, AFL.
- Sept. 2 The Chrysler Corporation in Windsor, Ont. began a lay-off which will involve some 2000 workers for an indefinite period. The lay-off is attributed to shortage of materials imported from the U.S.
- Sept. 8 A request for the re-opening of existing wage contracts when the present agreement expires at the end of 1948, was submitted to the Dominion Steel and Coal Corp. The union is expected to oppose wage differentials as well as demand a general increase of \$2.56 per day.
- Sept. 10 After negotiating for nearly four weeks, 30,000 bushmen in N. Ont., employed by 21 companies, were granted an increase amounting to \$1.65 per day.
- Sept. 11 The Brotherhood of Railway and Steamship Clerks, Freight Handlers and Express and Station Employees, 12,000 members in all, were expelled from the Trades and Labour Congress.
- Sept. 15 Approximately 2,000 workers in the four plants of General Steel Wares, Ltd. in London, Toronto and Montreal, received a general increase of 2¢ per hour based on the rise in the cost-of-living index.
- An agreement was reached granting 1500 elevator operators at the head of the lakes an increase of 12~~½~~¢ per hour.
- Sept. 16 The employees of all five plants of the Monarch Knitting Co. in Toronto, St. Catharines, St. Thomas and Dunnville, Ont. received their second increase since the first of January. The increase was based on the rise in the cost of living index and amounted to 6¢ per hour.
- Sept. 17 Longshoremen on the Pacific coast were granted 15¢ per hour wage increases.
- Sept. 27 Representatives of 14 union locals asked the B.C. Labour Relations Board to re-open conciliation hearings on the wage and contract demands of miners.

TRENDS IN COLLECTIVE BARGAINING, 1948

With both management and labour showing a greater tendency to compromise, collective agreements so far this year have been negotiated with less strike action than in 1947. Wage increases, requests for which were frequently calculated on the basis of the rise in the cost-of-living, were comparable to those granted in 1947. In addition, many revisions of non-wage clauses were included in the new agreements.

Collective bargaining issues between Canadian industries and organized labour during the first eight months of 1948 have been settled with less interference to industrial operations than occurred one year ago. They have, nevertheless, resulted in wage increases comparable with those agreed upon during the previous year. In addition, the non-wage clauses of the collective agreements have been revised to conform with the needs of the situation or prevailing practices of Canadian industries.

Three influences have been at the root of industrial disputes in the period. Firstly, there has been the steady rise in retail prices which has fostered demands for increased wages on the part of labour as well as a greater receptiveness on the part of management to these demands. Both companies and unions have shown a greater inclination to compromise on wage issues than in previous years. This attitude may be attributable, in part, to the exhausting nature of the strikes carried out by some of the larger unions in recent years.

The second major influence on the tenor of collective bargaining since January has been the easing of consumer demand throughout some industries and in the marginal sections of others. This has made for a variation in the wage increases negotiated in the various firms. It has frequently been found that the treatment of extra wage benefits has been of greater importance than the wage concessions. Thirdly, there are industries in which jurisdictional disputes and internal frictions within unions are causing disturbances.

The average increase in wage rates in industry during 1948 is slightly lower than in the previous year. The difference between the two years is not great, however, except in the "Service" group where the increase was considerably less than in 1947, and in the transportation and construction industries, where higher increases were granted. Railway workers received their first wage increase in two years, and construction workers, on the average, received a slightly higher increase than they had in the previous year.

According to estimates made by the Research and Statistics Branch on the basis of publicly announced wage increases, the average increase by industry is shown in Table I.

Table I—Estimate of Wage Increase
(Oct. 1, 1947 - Sept. 1, 1948)

Source: Press Announcements

Industry	Average Hourly Increases
	¢
Pulp & Paper.....	13.0
Coal Mining.....	12.1(1)
Electric Products.....	11.1
Rubber.....	10.9
Primary Textiles.....	10.5
Metal Mining.....	10.0
Meat Products.....	10.0
Iron & Steel.....	9.6
Lumber.....	7.8
Edible Plant Products.....	7.5
Clothing.....	7.3
Tobacco.....	7.0
Beverages.....	6.7
Electric Current.....	5.0

(1) Computed on the basis of an 8-hour day

The absolute wage increases, however, do not describe adequately the wage concessions made during the period. Since the wage demands have been made in the context of a rising cost-of-living, some settlements relating wages and prices have been effected. In these instances, a relatively small basic increase has been given with the additional stipulation that wages will be increased with every increase in the cost-of-living index as published by the Dominion Bureau of Statistics. With one or two notable exceptions in the automotive industry, this mechanism has been employed in the small and medium sized companies, especially in the West. Most of the larger companies who have made provision for such a relationship have adopted a wage clause which can be renegotiated at given dates or when the index has changed by a given amount. It is to be expected that the companies which operate nearest to the margin will favour the bonus system since it has the effect of making future wage increases dependent on retail market conditions. This is especially true during periods of uncertain market conditions when the larger companies take advantage of the greater financial security they have as a result of their more diversified selling markets and grant relatively high absolute wage increases.

Other wage concessions have been in the form of contributions to benefit funds. This is particularly true in the fur products industry.

Bargaining on the non-wage clauses in the contracts has not been as widespread as in the war years. The major activity in this area has

been in the revision of seniority clauses. The basis of many of the existing contracts was laid under wartime conditions when only a minimum amount of thought was given to problems which might arise during periods of contraction in industry and, as a result, considerable confusion has surrounded recent lay-offs. Although only meagre information is available, indications are that efforts are being made to remedy this situation and make the clauses workable. The major problem appears to be one which has dogged seniority since it was first put in contractual form. Within the union, a compromise has to be reached between the demand of the older workers for plant seniority, which they feel will give the greatest stability to their own employment, and the demand of the younger workers for departmental seniority, which they believe will be of greater benefit to their group. The former gives precedence to years of service, and the latter, to training on the particular job. On the level of negotiations, cognizance must be taken of the necessity of designing the seniority clauses so that management can retain the necessary skilled men in the event of any lay-off. Negotiations in many industries during 1948 have been occupied with these problems.

Similarly, amendments to the Grievance Procedure clauses are being worked out in some industries. These are aimed at clarification of the manner in which grievances are to be brought to the attention of management. Such developments are limited largely to the younger industrial unions. These unions, and the industries within which they operate, lack experience in the process of union-management relationships and it is to be expected that both parties will attempt to spell out more precisely the nature of their relationships.

Beyond the above items, the recent developments in the field of collective bargaining have been comparatively few. Activity has centered about the extension of the provisions granted in some industries to others. The more common among these provisions are listed below.

- (1) The check-off system of dues payments has been introduced among some of the smaller plants. This is usually made irrevocable for the term of the agreement once an authorization has been signed.
- (2) Several small companies dealing with independent unions have granted a union shop.
- (3) Statutory holidays with pay have been increased in number, the maximum now being eight in many plants.
- (4) Vacation provisions have been extended in some cases to include provision for a two week vacation after three years. In most instances, however, it has actually been granted after five years of service.
- (5) Some agreements covering a small number of workers have been signed for two and three year periods.

- (6) Payment of premiums for off-shift work has been increased in many of the smaller plants, where such payments had not formerly equalled these in larger plants. These may take the form of a five cent an hour premium for night work or other special payment.
- (7) Several firms are now for the first time paying time-and-a-half for overtime.

The area of collective bargaining during the past eight months has been comparatively narrow, in that attention has been concentrated on wage rates and no serious attempt has been made to alter other working conditions. Moreover, it bears repetition that the tendency to compromise within that area has been more prevalent than in past years. Much of the strife in industrial relations this year has been tinged with the influence of political philosophies.

EMPLOYMENT SERVICE ACTIVITIES

Labour demand reached its peak during September with the coincidence of expansion in summer and winter-active industries. Competition for the meagre supply of help was great as orders poured in from agriculture, construction, mining and logging. Skilled, semi-skilled and unskilled workers were all in strong demand. This stringency, however, was temporary. With the advent of winter weather, demand will probably be reduced to skilled needs only.

Seasonal influences further strengthened the demand for help during September so that nearly all areas could have provided jobs for more workers had they been available. Jobs were being reported at a rate of 28,000 a week during August. By mid-September, there were 71,000 on file, the peak in unfilled vacancies for the year. Demand for unskilled or semi-skilled help predominated although there remained the usual core of openings for skilled men.

The chief factor causing the tight labour market was the seasonal demand of agriculture and its derivative industries, superimposed upon the highly active employment market in construction, in mining, and to a lesser extent, in manufacturing. Logging, too, had begun recruiting and the campaign was being directed to much the same class of worker as was being sought by agriculture and mining.

Despite this condition, labour turnover was still relatively low, at least in comparison with the first two post-war years. The normal abating of war restlessness, the financial expense of even short periods of unemployment, and the more selective hiring practices of employers were chiefly responsible for the change. Many of the women's trades, however, were still faced with the constant shift of workers from job to job. In the service industries particularly, where labour shortages were often extreme and poor working conditions prevailed, high labour turnover persisted.

Full use was being made of the services available at employment offices to recruit the needed help. Clearance of orders had stepped up, to meet both seasonal and permanent needs. Agriculture particularly benefited through this means with 13 organized movements arranged this season. During September, five movements got under way; all of these were for potato picking except the migration to the Annapolis Valley for apple harvesting; Quebec and New Brunswick sent 6,000 men to Maine; 600 were moved to Prince Edward Island; 800 to New Brunswick; 700 went to the Annapolis Valley; 800 from Manitoba to North Dakota. In all cases, sufficient help was obtained and in some instances there were more workers than requested.

Applicants available were further screened and the number unplaced dropped to the yearly low of 86,000 during the month. Discrimination against the older worker prevented a further scaling down of those remaining on file. The placement of the physically handicapped in many instances

presented less of a problem because of the high degree of employers' co-operation; approximately 1,200 were directed to jobs in August.

This extreme buoyancy will, of course, disappear with the change in seasons and a temporary surplus of workers will probably develop by January. The seasonal decline, nevertheless, will affect only a small proportion of the working population. Unemployment at its worst during the winter of 1948 totalled only 3.2 per cent of the civilian labour force and it would appear that this low proportion will not be increased in 1949.

The growing importance of married women in employment - more women are now employed than ever before in the peace-time history of Canada - brings with it a considerable number of placement problems. More and more of the women seeking work are married, especially those suited for jobs requiring high qualifications. However, many orders are still received from employers completely barring the employment of married women, regardless of their qualifications or merits or the conditions which forced them into the labour market. Often this discrimination prevents a placement from being effected, which, in all other respects, would be highly satisfactory.

It is not the policy of the Employment Service to take a stand on the contentious issue of the employment of married women but because its task entails the bringing together of available workers and jobs wherever possible this problem is constantly in the fore. It may be interesting here to note the opinion of the Advisory Committee on Reconstruction appointed by the Dominion Government, a sub-committee of which was assigned to examine and recommend on the post-war problems of women. Speaking of the married woman, the Advisory Committee stated that there was "the need for the recognition of her right to work at whatever employment she chooses, provided, of course, she is qualified for that employment". This attitude is in line with that of almost all countries of the world, as indicated by reports on women's employment issued by the International Labour Office.

Table I—Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

Series	Average Weekly		
	August 1948	July 1948	August 1947
Applicants for Work ^x	27,000	30,000	26,000
Vacancies Notified.....	28,000	26,000	34,000
Placements.....	15,100	16,200	15,300
Women.....	4,000	4,200	4,100
Veterans.....	2,700	2,700	3,500
Handicapped.....	276	280	250
Executive and Professional.....	65	75	50

x Does not include renewals.

INDUSTRIAL ANALYSIS

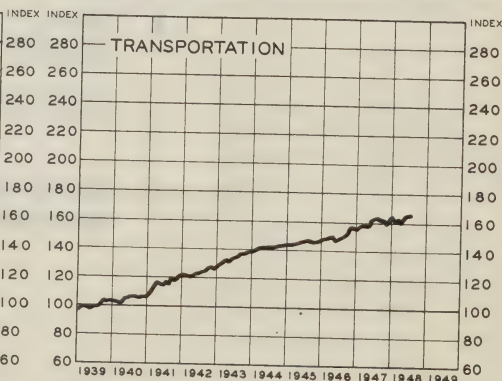
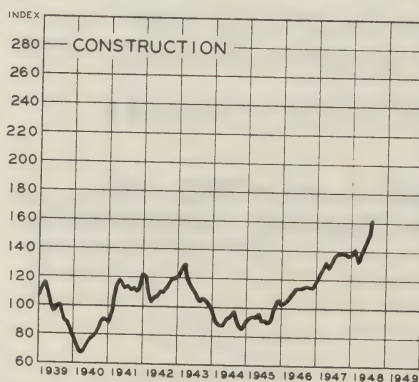
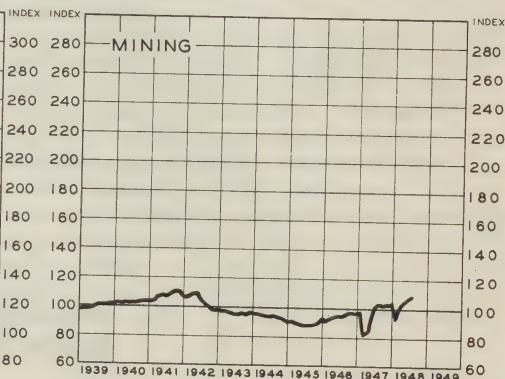
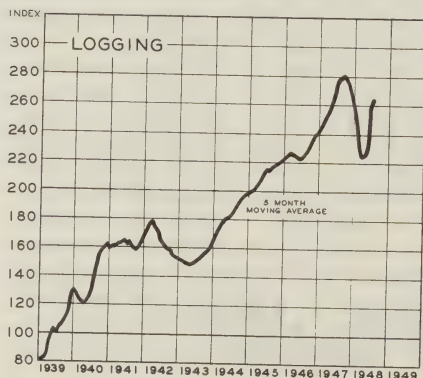
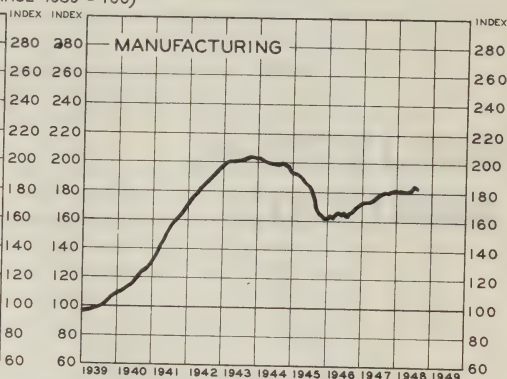
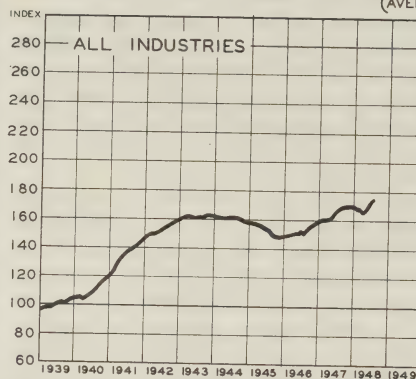
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MARKET SUMMARY
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- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE 1939 = 100)



INDUSTRIAL LABOUR MARKET SUMMARY

During September, industrial activity in Canada was at its seasonal peak. Agriculture was beginning to taper off but logging camps were beginning cutting and absorbing the off-season workers. Canning operations continued busy, however. With splendid weather in all regions but British Columbia, construction work was at record heights.

MANUFACTURING.....

Estimated employment (September).....1,278,000

Average weekly earnings\$41.00

The labour force in the manufacturing industries in Canada during September was estimated at 1,278,000, or about 3 per cent above 1947 levels. Employment in this industry appears to be levelling off after a period of rapid postwar expansion.

A tight labour market, with very little unemployment, continues, although fewer job openings are being reported to the National Employment Service. At the beginning of September, 1948, some 20,000 unfilled vacancies were on file in all offices, about 50 per cent of the total at the same date last year.

Of this number, over half are equally divided between the food and textile industries. Most of the jobs were for unskilled workers; the requirements of the textile plants were almost entirely for female workers. Other industries with a large reported labour demand at this date were lumber (2,062); pulp and paper (1,299); and iron and steel (1,127).

This year's round of wage increases continues to push earnings upwards. Most workers are now making over \$40.00 per week, with the high average of \$56.00 in the pulp and paper industry. The increases granted so far have generally been less than in 1947, usually under 10 cents per hour. In another section of this report, a tabulation is given showing the increases received by some 29,000 manufacturing employees during the month of September.

In general, these wage boosts were obtained with less strike action than at any time since the end of the war. During the week ending October 2, there were 12 strikes in manufacturing plants, of which three were settled during the week. Most of the larger strikes in progress have been going on since early in July. Work stoppages in two industries accounted for 60 per cent of the total time-loss. These were the strikes of some 2,600 auto parts workers in St. Catharines, Ont. and of 1,150 furniture workers in six towns in Quebec.

SERVICES.....

Estimated employment (September)850,000

The most severe labour shortage in the Canadian economy continues to be centered in the services industry, the third largest of the eight major Canadian industries on the basis of employment. This shortage is mainly in personal service which includes such occupations as domestics, waitresses, and laundry workers, whose work is generally poorly paid and unattractive.

During September, the demand for this type of worker fell off slightly in some regions with the closing of the tourist resorts. The domestic situation was also eased by the arrival of more Displaced Persons. In spite of this, however, the number of jobs exceeded available workers in most sections of the personal service group. The following are summaries of the situation in some of the larger centres in the country as reported by the local Employment Offices:

Halifax, N.S.: Halifax City has been very fortunate this year as no teacher shortage has been reported..... Although the arrival of Displaced Persons has alleviated somewhat the acute shortage of domestics in institutions and private homes, a very heavy demand for this type of worker still exists and considerable difficulty is being experienced in filling current needs..... There is a heavy demand for skilled repairmen and mechanics.

Montreal, Que.: Hotels operating the year 'round maintain a steady demand for cooks and service personnel..... 135 D.P.'s were placed as domestics during the month (Sept.) and several others are in the process of being distributed within the region according to priority list.

Toronto, Ont.: Demand for hotel and restaurant workers has lightened considerably during the past month (Sept.)..... The laundry situation continues to be difficult; even clearance results on many of these orders are very poor.

Winnipeg, Man.: Hospitals, laundries and restaurants are desperately in need of workers..... Male and female typists and stenographers are still required for public service..... The domestic help situation remains the same with many more orders than applicants.

Saskatoon, Sask.: There is little demand for general hospital and hotel help..... Rural demand for domestics has decreased, while the number of requests in the city far exceeds the meagre supply of applicants registered for this type of work.

Calgary, Alta.: There is only a light demand for male workers. In the women's division, numerous requests are received for domestic help, waitresses and kitchen help..... The hospital situation is fairly satisfactory.

Vancouver, B.C.: Orders for hospital workers are few. Ward maids and kitchen maids are in demand for private hospitals..... Demand is light for laundry help and qualified applicants scarce..... Experienced pressers, spotters and alterationists are in demand..... There is still a big demand for cooks, waitresses and helpers with a very limited number of applicants available.

TRADE.....

Estimated employment (Sept.)825,000

Average weekly earnings\$35.00

Retail and wholesale trade have been at record levels during 1948. Statistics show that during the first seven months of the year, retail sales have been 12 per cent above the same period in 1947. In physical volume, however, sales have been about the same or less than last year, because of the sharp advance in the prices of many retail items.

Employment during the year has been about 5 per cent above 1947 with job opportunities plentiful for suitable applicants. Larger department stores and chain groceries have been advertising for help and report that, while they obtain a good response, the job-seekers are not generally of the best type.

During September, sales dropped off in some areas with the end of the tourist trade but, towards the end of the month, demand for sales help increased as stores began to prepare for fall and Christmas buying. Employment in retail trade increases steadily beginning in the early fall, until it reaches a peak with the Xmas rush. During December, the labour force is expected to be some 150,000 above the winter low.

CONSTRUCTION.....

Estimated employment325,000

Average weekly earnings\$38.00

During September, the demand for both skilled and unskilled construction workers remained very high. The labour market during this month was strongly influenced by such factors as, the return of students to university; the tendency for job-seekers to accept inside work rather than short term construction jobs; and the increased demand from contractors rushing their work to completion before the freeze-up. This was especially true in regard to highway work. From the West, it is reported that the surplus labour during the month was diverted to harvesting operations.

Wages in the skilled construction trades, among the highest for skilled labour, continue to move upwards. Rates paid in the larger cities across Canada show the following ranges: bricklayers (\$1.40-1.75); carpenters (\$1.25-1.55); cement finishers (.90-1.35); electricians (\$1.35-1.65); unskilled labour (.70-.90); skilled labour (.85-1.00); painters (\$1.10-1.45); plasterers (\$1.45-1.80).

The number of persons employed in the industry during September was estimated at 325,000, or nearly 40,000 above the 1947 level. This includes workers in building construction, highway construction and railway construction and maintenance.

LOGGING.....

Estimated employment (Sept.).....75,000

Average weekly earnings\$39.00

In Eastern Canada, cutting was just getting under way during September with a moderate demand for labour. Since there was no shortage of applicants in most areas, requirements were filled from local supplies.

A reduction both in the length of the cutting season and the number of workers is predicted for the 1948-9 season. Last year, an exceptionally heavy cut was made and the depleted inventories of the larger pulp and paper companies were more than built up again. It is reported that mill inventories now total about 9,000,000 cords as against the pre-war figure of from 3,000,000 to 4,000,000 cords. The companies are somewhat apprehensive of the possibility of a price drop while they have these large stocks on hand.

Much less summer cutting was done during the summer of 1948 than in the previous year, therefore. It is expected that about 85 per cent of the cutting will be done between October 1 and the end of the year. The labour supply will be influenced by the loss of possibly more than half of the 3-4 thousand D.P.'s who worked in Ontario camps last year. At its winter peak, pulpwood logging camps in Eastern Canada should provide employment for some 70,000 men, many of whom will be farmers and other off-season workers.

In British Columbia, the employment situation in logging during September was characterized by a general labour shortage. The number of men in the woods at October 1, was estimated at 18,000. With the peak of seasonal activity coming in September, labour demand was very heavy. Even unskilled labour was being taken for some jobs, such as rigging and road-work. The unusually wet weather hindered interior operations to some extent but had the advantage of eliminating the fire hazard shutdowns.

The possibility of a strike resulting from the wage negotiations being carried on between the I.W.A. and employers, hindered hiring operations during the month but the dispute apparently was settled at the time of writing. The advance in wages provided for in the new contract should attract more men to the camps.

WHAT EXECUTIVES SAY ABOUT LABOUR PRODUCTIVITY

Opinions of executives of leading firms in many industries are obtained by interviewers of the Employment Forecast Survey of the Research and Statistics Branch. Each month, a selection of these opinions on a single topic of concern to both management and labour will be presented in this section of the Canadian Labour Market. The topic for this month is the productivity of labour.

General conclusions can be drawn only cautiously from the opinions which follow, since they represent a very small sample not scientifically selected, of Canadian industry. Moreover, it is difficult for the employer himself to make an accurate comparison between the productivity of labour in 1948, and that in 1938 or some other past year. Mechanization, the introduction of new processes, or an increase in production up to plant capacity, may have increased the productivity of labour, measured by output per man-hour, and yet the average worker himself may be less efficient than formerly.

Some employers report an improvement in labour productivity. Several state that the productivity of skilled labour is satisfactory, but that the productivity of the unskilled is poor, especially for the "floater" class who seldom remain long in one job. Shortage of particular types of skilled labour, and shortage of raw materials, especially steel, are frequent causes of low productivity in a plant. Low-wage industries tend to lose their better workers to industries paying higher rates. In some industries, reappearance of the pre-war seasonal pattern makes it difficult to maintain an efficient staff.

Efforts to improve labour productivity include apprenticeship and training schemes, time and motion studies, job evaluation, and piece-rate and incentive bonus systems. The desire to attract and keep workers of a superior type stimulates improvement of working conditions, and in some cases results in greater readiness to grant trade union demands. Shortage of labour intensifies the pressure toward mechanization, and the resulting increase in labour productivity.

The comments of individual business executives in particular industries follow. For purposes of brevity, the individual opinions have been condensed where such condensation does not impair their original meaning.

Boots and Shoes

(1) "An acute shortage of labour of several categories is the prime limiting factor in this company's production. The supply of cutters is adequate, but we are unable to obtain competent workers for the fitting room. Many workers have gone to other industries, such as construction, where they can obtain employment at inflated wages. Because of the bottle-neck in the fitting room, per capita productivity of the plant as a whole is very poor".

Beverages

(2) "In contrast to 1947, men are available. While the quantity has increased, quality has decreased, most of the applicants being floaters. Many of their insurance books show six to eight employers since April. Their reasons for leaving are not convincing. When an applicant has worked for only one employer since April, we usually hire him on the spot, even if there is no immediate vacancy".

Soap

(3) "Construction of a new \$8 million plant has commenced. This will replace the present plant, which will be used as a warehouse. The number employed will not be increased, and may even be reduced if the efficiency of the new plant reaches expectations".

Primary Textiles

(4) "Labour supply is adequate. The rate of labour turnover is now low, having dropped rapidly about September 1, 1947. The present turnover rate for female employees, the group with the highest rate, is about 1.7 per cent per month. Absenteeism is much less than one year ago, and we are not concerned about it.

"A union contract is in effect until 1949. Wage rates are much higher than in 1946. The company is well satisfied with the present labour-management relations.

"Production per man-hour is now greater than ever before, apart from technological changes. We are paying high for labour, but they are giving us the production they promised, and both parties are satisfied. We attribute this increased productivity to union reorganization under the C.I.O. Prior to that, productivity had dropped to a dangerously low point during the war. Also, jobs are not as plentiful now as two years ago, and there are not as many new workers on the payroll. Production will be substantially higher, with the same number of workers, when our new plant commences operations. This increase will be purely the result of technological progress."

(5) "Our apprentices system has been successful, and we have many more trainees than before. The efficiency of our plant has improved, but it is still far below the standards of similar textile plants in the United States. I blame this to a large extent on the psychology of the workers, who set their cash requirements at too low a level, and are unwilling to work more than enough to attain this low level".

(6) "Employment varies seasonally. In the summer, many of our experienced workers return to the farms, and we have to hire two new workers to maintain the output of one experienced worker. We have great difficulty in hiring. We may train a worker, and then find he is unsuitable or inefficient, but rather than fire him and waste his training period, we keep him on. If we discharged him the replacement we would hire would probably be worse.

"We have reached the bottom of the local labour supply. We threatened to move out, so the town council has now authorized a housing programme, which will enable us to bring in more employees".

Electrical Appliances

(7) "We are satisfied with present productivity. Because of changing techniques, we have not been able to devise an absolute measure of productivity for most of our operations. However, in a few simple operations in which the method has not changed for years, our sample measure shows that the worker's effort and output compares favourably with pre-war samples".

(8) "The radio industry has returned to the pre-war seasonal pattern of employment. When a firm cannot guarantee year-round employment, it is exceedingly difficult to recruit a competent staff".

Rubber Products

(9) "Productivity is not up to pre-war standards, in spite of the installation of automatic tire-building equipment.

"Employees paid by day rates usually stop work an hour before their shift ends. In fact, visits to the plant between three and four o'clock are discouraged, because of the impression visitors would get from men standing around.

"Ninety per cent of the employees are paid under the incentive bonus plan, and are passing up additional earnings amounting to approximately \$350 per year by failing to produce. Recent wage increases apply to incentive bonus rates, so that with a 10 per cent increase in rates, output can drop 10 per cent, and the employee still makes the same pay".

Machinery

(10) "Employment in the plant has dropped approximately 10 per cent in the past year. This drop is due, not to a decrease in demand for our products, but to increased productivity and technological improvements.

"A time-study programme has been instituted, which, it is anticipated, will take five years to complete. As a result of the study, productivity is showing a sharp improvement, with a 50 per cent increase in the output of machines in some sections.

"Erratic shortages of materials still make it difficult to plan production efficiently".

(11) "The supply of labour is adequate, but the quality of most applicants is extremely poor. We have a large nucleus of permanent employees of long standing, whose productivity is excellent. But in addition there is a "floater" class, who have a demoralizing effect on the plant. These latter are dissatisfied, are difficult to train, and do not stay long enough to learn the essentials of the work".

Primary and Secondary Iron and Steel

(12) "Capacity output is seldom attained as yet. On some products, man-hours per ton vary from 12 to 20 hours over short intervals. This figure increases during the period just before contract negotiations, and shrinks to a minimum for about two months following the signing of a new contract, especially if a wage increase has been granted.

"An additional 100 skilled men could be used - machinists, bricklayers, and operators. It is hoped that eventually aptitude tests may be formulated covering most of the jobs. If this could be done, perhaps the employees could be made more contented, and the rate of turnover reduced.

"We have an apprentice training scheme for bricklayers and machinists. Bricklayers seem to be a disappearing trade, in spite of wage rates of over \$1.60 per hour for top men. The relatively low starting rates for apprentices seem to discourage youths from learning the trade".

(13) "Productivity is very poor. In some operations it is only 60 per cent according to our measurements. We have started a job evaluation scheme, and as a result wages of some workers have been reduced by as much as \$20 per week. Naturally there is much discontent, but the situation was so bad that we had to take a strong stand".

(14) "Some time ago there were complaints that foundry tonnage had dropped from 10 to 5 tons per man per shift. The current figure is believed to be 12 to 14 tons. In my opinion, irregular supply of raw materials is a greater handicap to productivity than the attitude of the men themselves".

Chemicals

(15) "In the highly-skilled categories, productivity is excellent and labour turnover low. In the unskilled categories, turnover is very high".

Agricultural Implements

(16) "The rate of turnover is so high that the working force cannot be built up to production schedules. In some months, 300 have been hired, and the total staff has only increased by one. In addition, productivity is low. Man-hours per ton show an alarming increase over 1939 figures".

Non-Ferrous Metal Products

(17) "Productivity for 1948 is higher than for 1946 or 1947, as supplies have become slightly more plentiful, and there is no serious labour turnover".

Lumber and Products

(18) "Although the company has been forced to lay off a large proportion of unskilled labour, during renovation of the plant, it finds a shortage of skilled workers, especially competent machinists.

"Because of inability to obtain competent supervisors, productivity, in our opinion, remains very poor, although we have no absolute measurements".

(19) "In our planing mills, we have installed three new machines which handle the stacking of lumber and these have been of tremendous help in speeding up the distribution of our product. Our cash outlay was in the neighbourhood of \$18,000 and we were able to reduce the staff by 45 men on this account; however, the prime purpose of installing this equipment was to speed up distribution rather than reduce staff. Saving by increased productivity has taken care of any increases in wages over the past year."

RECENT WAGE CHANGES

During the latter part of August and the month of September, approximately 68,000 persons were affected by the wage changes published in the following pages. ⁽¹⁾ Almost 20 per cent of the workers were receiving the second or third increase since the first of the year; 67 per cent received 10 cents or more per hour. Logging and textile workers made up the bulk of those operating on the new wage scales.

The wage changes recorded during the month of September are of five different classes. The first and largest group was made up of wage increases resulting from the negotiation of new collective agreements. The second and third types of increase were based on the official cost-of-living index as interpreted by cost-of-living plans and open-end wage clauses in existing agreements. The fourth was governed by the current cost per pound of a commodity and the fifth by the increased profit on a commodity.

Foremost among those reporting gains under the first group were the northern Ontario pulpwood workers who received a 10 per cent increase in hourly wage rates. This amounted to approximately \$1.65 per day as against the \$2.00 per day the union had proposed. The actual gain was reduced to about 7 per cent by the daily increase of 45 cents in the cost of board. Also under this heading was the increase awarded by the last of the "Big Three" in the meat packing industry, Burns and Company. This settlement followed the pattern set by the other two companies. The prevailing gain by this type of increase was 8 cents per hour.

Workers at General Steel Wares have had three increases since January 1, 1948, when their current agreement became effective. Owing to a cost-of-living clause, gains of 2 cents per hour became effective in June and September. To cover the rising cost of living, the Dominion Textile Co. and the Montreal Dress Manufacturers Guild (representing 240 establishments) have granted a second increase within the last six months; workers at the former received 5 cents per hour last May and the latter group from $7\frac{1}{2}$ to 9 cents per hour in March.

Monarch Knitting Co. employees who received an average increase of 10 cents per hour in January, benefited through a clause in their present agreement which states that either party may open the wage contract if there is an increase of more than 6 points in the

1) The information on wage changes was obtained mostly from press announcements, reports from National Employment Service offices, and the Employment Forecast Survey. The average hourly earnings quoted in the following tables are as at July 1, 1948, as published by the Dominion Bureau of Statistics.

official cost-of-living index over 146.0. During the last 12 month period, workers at this company have had increases in pay amounting to 21 cents per hour.

Some 750 workers at the Britannia Smelting and Refining Co., British Columbia, received a bonus of 25 cents per day based on the average monthly price of export refinery copper at New York as quoted in the Engineering and Mining Journal. If the average price exceeds 16 cents per pound for the calendar month, a bonus of 25 cents per shift is paid effective the first of the succeeding month. Similarly, additional copper bonuses are paid for every rise of $1\frac{1}{2}$ cents per pound. At the present time, the bonus paid amounts to \$1.25 per day.

Venders employed by J.J. Joubert received an increase in the commission paid on the sale of each gallon of ice cream.

During September, approximately 1,200 workers attained settlements by strike action. The strike at McKinnon Industries was still in progress; the bargaining parties are far apart in their concessions.

Ontario Federation of Labour leaders (C.C.L.) met to discuss the situation resulting from the shortage of hydro-electric power in Ontario. They are reported to have laid down a policy calling for maintenance of premium pay for Sunday work and off-shift differentials for those asked to change from day to night work. Their intention is to maintain the take-home pay in cases where it may be necessary to shorten the work week.

At this date, an early signing of a new contract in the British Columbia logging industry is expected and the only wide-spread wage issue in the offing is the dispute between deep-sea sailors and operators on the east and west coasts following the rejection of wage changes.

REGENT ANNOUNCEMENTS OF WAGE INCREASES

Industry	Ave. Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MINING Non-met. Mining (except coal)	111.8 94.7	Maritime Industries Ltd.	Nappan, N.S.	5¢	Aug. 3/48	60
LOGGING		21 Pulpwood Operators	Northern Ontario	10%	Sept. 1/48	30,000*
MANUFACTURING Dairy Products	92.4 74.0	J. J. Joubert.	Montreal Is., P.Q.	(1)	Apr. 23/48	485
Meat Products	94.4	Burns & Co. Ltd.	Calgary, Alta. Vancouver, B.C. Edmonton, Alta. Regina, Sask. Prince Albert, Sask. Winnipeg, Man. Kitchener, Ont.	7-13¢ " " " " " "	Sept. 1/48 " " " " " "	730 450 450 280 380 1,050 520
Leather Products	71.1	Fur Workers (50 est.)	Toronto, Ont.	(2)	Sept. 1/48	500
Lumber Products	82.1	Lawrie Wagon & Carriage Co. Ltd.	Winnipeg, Man.	8¢	July 1/48	35
rough & Dressed Lumber	85.7	A. B. Cushing Mills	Calgary, Alta.	(3)	Sept. 23/48	60
Furniture	78.8	Standard Desk Co. Ball Furniture Co. Ltd.	Montreal, P.Q. Hanover, Ont.	6¢ 4¢	July 1/48 Sept. 21/48	65 30
Bread & Bakery Products	72.8	9 Bakery Firms	Calgary, Alta.	(4)	Aug. 15/48	400
Paper Products	80.7	Building Products Ltd.	Winnipeg, Man.	6-8¢	Sept. 1/48	185
Textile Products	72.4	Plymouth Cordage Co.	Welland, Ont.	10¢	Apr. 22/48	375
Wool, Yarn & Cloth	73.9	Consol. Piece Dyers Ltd.	Toronto, Ont. Cobourg, Ont.	15¢ "	Sept. 1/48 "	35 60
Cotton Yarn & Cloth	73.9	Dom. Textile Co. Ltd.,	Montreal, P.Q.	10¢	Sept. 1/48	2,600
Woolen Yarn & Cloth	72.8	Monarch Knitting Co. Ltd.	St. Thomas, Ont. St. Catharines, Ont. Dunnville, Ont. Toronto, Ont.	6¢ " " "	Sept. 16/48 " " "	140 200 400 600

(1) Ice cream distributors, piecework,
2½ - 2¾ cents per gal. of ice cream.
(2) \$6 to \$12 per week.

(3) \$1.50 per week
(4) \$6.50 per week

* Estimated number of workers at seasonal peak

RECENT ANNOUNCEMENTS OF WAGE INCREASES (Cont'd)

Industry	Average Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MANUFACTURING (Cont'd)						
Silk & Artificial Silk Goods	75.3	Canadian Celanese Ltd.	Drummondville, P.Q.	4¢	Sept. 8/48	4,000
Hosiery & Knit Goods	67.7	Celtic Knitting Co.	Montreal, P.Q.	8¢	Aug. 1/48	175
		Nordic Hosiery Mills	Granby, P.Q.	"	"	300
		Dionne Spinning Mills	St. George de Beauce, P.Q.	5¢	Sept. 27/48	330
Garments & Personal Furn.	71.3	Ass'n Millinery Mfrs.	Montreal, P.Q.	10¢	Aug. 19/48	1,000
		John Forsythe Ltd.	Waterloo, Ont.	8¢	Sept. 5/48	345
			St. Marys, Ont.	"	"	80
		Dress Mfrs. Guild,	Montreal, P.Q.	5¢	Sept. 7/48	6,400
		Manitoba Clothing Co. Ltd	Winnipeg, Man.	8½¢	Sept. 8/48	50
Chemicals & Allied Products	92.3	Canadian Industries Ltd	Kingston, Ont.	10%	July 25/48	550
		Consol. Mining & Smelting Co. of Can.	Calgary, Alta.	15½¢	Sept. 23/48	280
Glass Products	85.6	Hobbs Glass Ltd.	Winnipeg, Man.	10¢	Aug. 15/48	45
		Consol. Plate Glass Ltd.	" "	"	"	30
		Pilkington Glass Ltd.	" "	"	"	25
Electrical Apparatus	99.6	General Dry Batteries Ltd	Toronto, Ont.	5-10¢	June 1/48	150
		Rogers Majestic Co. Ltd.	Leaside, Ont.	8¢	May 7/48	600
				2¢	July 9/48	
Crude, Rolled & Forged Products	109.2	Vancouver Iron Works Ltd	Vancouver, B.C.	13¢	Aug. 1/48	135
		Vancouver Engineering	" "	"	"	350
		Vancouver Machinery Depot	" "	"	"	60
		Joliette Steel Ltd.	Joliette, P.Q.	10-19¢	July 5/48	130
Machinery (other than vehicles)	95.2	Outboard Marine Co.	Peterborough, Ont	9-11¢	Sept. 10/48	540
		L.C. Smith & Corona Typewriters of Can. Ltd.	Toronto, Ont.	8¢	Aug. 21/48	95
Sheet Metal Work	92.9	Continental Can. Co.	St. Laurent, P.Q.	15¢	Sept. 15/48	900
		General Steel Wares Ltd.	London, Ont.	2¢	Sept. 15/48	1,020
			Toronto, Ont.	"	"	760
			Montreal, P.Q.	"	"	500

RECENT ANNOUNCEMENTS OF WAGE INCREASES (Cont'd)

Industry	Av.Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MANUFACTURING (Cont'd)	¢					
Preparation of Non-ferrous Metallic Ores	114.8	Deloro Smelting and Refining Co.	Deloro, Ont.	15¢	Sept.1/48	215
Miscellaneous	81.2	Dominion Button Mfg. Ltd.	Kitchener, Ont.	7¢	Sept.13/48	75
TRANSPORTATION Local	94.0	Transit System Truck Drivers	Port Arthur, Ont. Vancouver, Victoria, New Westminster, B.C.	8½¢ 12¢ (5)	May 1/48 Sept.16/48 Sept.3/48	80 1,400 750
		30 Taxi Companies	Toronto, Ont.	(5)	Sept.3/48	750
		Longshoremen	Vancouver, New Westminster, Chemainus & Port Alberni, B.C.	15¢	Sept.17/48	1,600
		Operators of Terminal Elevators	Head of Gt. Lakes	12½¢	Jan.31/48	1,500
CONSTRUCTION Building	99.8	J.L.E.Price & Co. Carpenters & Labourers Painters & Decorators	Petawawa, Ont. Victoria, B.C.	5-10¢ 10¢	Sept.7/48 Sept.1/48	120 125
Highway	79.1	Crown Paving Co.	Edmonton, Alta.	10¢	Aug.7/48	75
SERVICES Hotels & Restaurants	59.4	6 Hotels Toronto Hotel Ass'n. 3 Hotels 7 Local Restaurants 19 City Hotels & 63 Beer Parlours	Moose Jaw, Sask. Toronto, Ont. Cranbrook, B.C. Calgary, Alta. Vancouver, B.C.	(6) (7) 25¢ 10¢ 10¢	June 1/48 Aug.15/48 Sept.1/48 Sept.8/48 July 15/48	100 670 50 125 200
Personal	60.1	6 Laundries & Dry Cleaning Plants Troy Laundry Co.	Calgary, Alta. Verdun, P.Q.	5-15¢ 6-20¢	Aug.15/48 Sept.10/48	400 390
TRADE		F.C. Myers & Co.	Vancouver, B.C.	17½¢	Aug.15/48	100

(5) \$3 per week

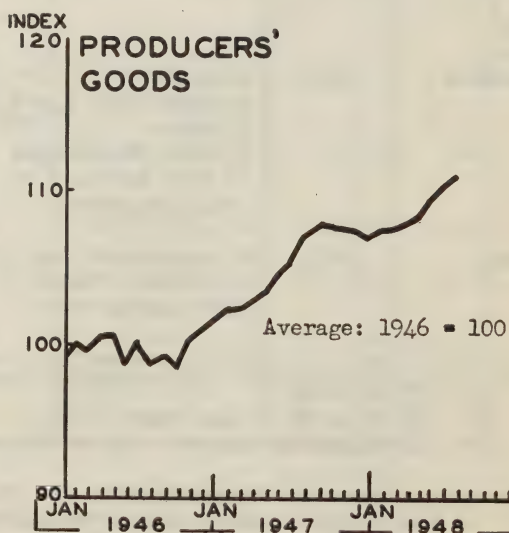
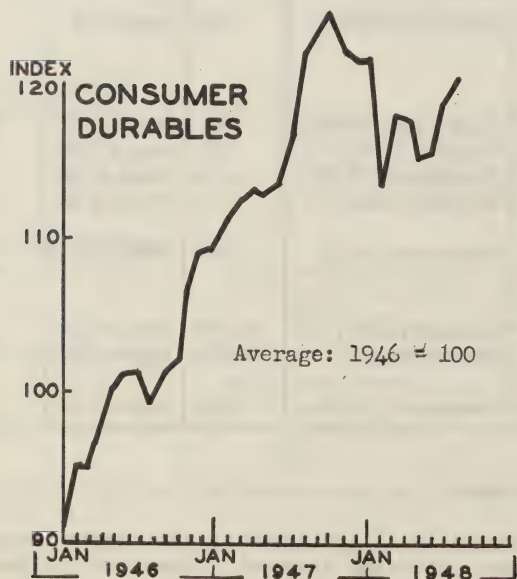
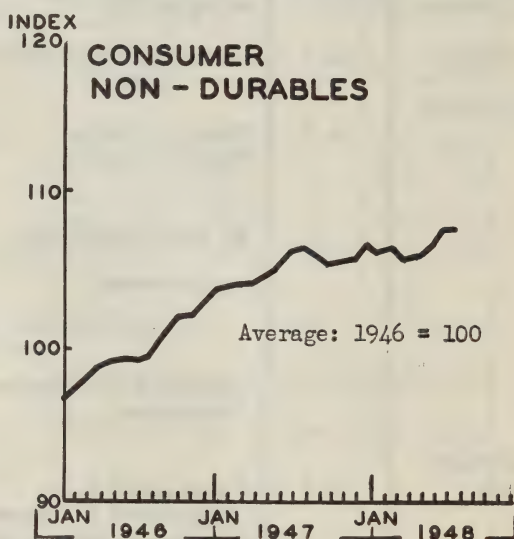
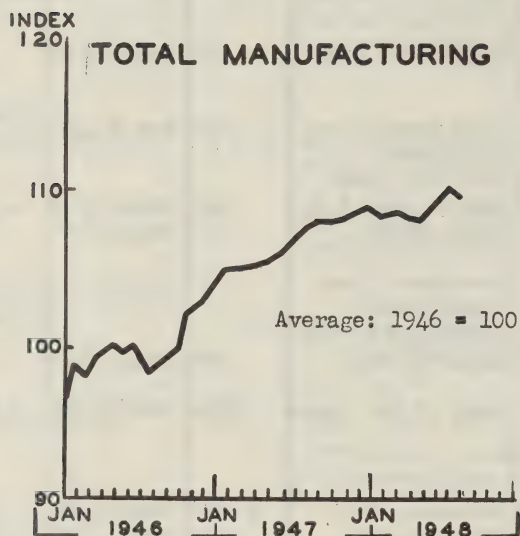
(6) \$1.50 to \$3.50 per week

(7) Beverageroom workers - \$2 to \$10 per week

ERRATUM: The increase at Accessories Mfg. Co., Montreal, P.Q. published in the August issue of the Canadian Labour Market was in error. The wage increase recommended by the arbitration board was rejected by the company and the workers went out on strike Sept. 22, 1948.

EMPLOYMENT TRENDS IN MANUFACTURING INDUSTRIES.....

(SEASONALLY ADJUSTED)



CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

The number of workers affected by lay-offs during September amounted to approximately 5,680, an increase of 60 per cent over the previous month. Material shortages accounted for 35 per cent; most of these were in the automobile manufacturing industry. Seasonal slow downs were responsible for 37 per cent; these were mainly concentrated in the woods products, shipbuilding, and paper industries.

The high level of employment was fully maintained during the month and, generally speaking, lay-offs continued to affect only a relatively small number of workers. Nevertheless, 5,680 employees were laid off in September, an increase of 60 per cent over the previous month's figure of 3,554.⁽¹⁾

Work stoppages caused by material shortages predominated, accounting for 42 per cent of all reported lay-offs during the month. Lay-offs of seasonally occupied workers accounted for 37 per cent; shortages of orders for 13 per cent, and other causes for 8 per cent.

Material shortages during the month were responsible for a total of 2,359 workers being laid off. Industrial disputes in "feeder" plants were the main cause of lay-offs in the automobile industry. After a temporary work stoppage early in the month, one large automobile manufacturer resumed full production. Operations may be interrupted however, if workers in United States plants producing body stampings remain on strike for any length of time.

Seasonal industries are beginning to slow down. Manufacturers of wood products were affected during September when heavy rain in the interior of British Columbia forced many of the small sawmill operators, who depend on road transportation, to cease work. Ship-builders have also started to cut down their staffs for the winter months.

Lay-offs due to lack of orders have been occurring sporadically, during the month these amounted to only 768. Textile manufacturers were affected to the greatest extent. Retailers, anticipating a possible drop in prices, have been keeping stocks to a minimum.

The remaining lay-offs that have taken place are due to a variety of other causes. Several small lay-offs have occurred due to the electric power shortage. Manufacturers in some areas have had to alternate shifts and curb production.

(1) Statistical data on lay-offs have been completed from information obtained from National Employment Service office reports. The information is not necessarily complete, but does include data on all major lay-offs.

Table I—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause

Cause of Lay-off	July, 1948		August, 1948		September, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders.....	1,377	20.8	1,653	46.5	768	13.5
Shortage of Materials....	4,701	71.0	816	23.0	2,359	41.5
Seasonal.....	45	0.7	134	3.8	2,089	36.8
Other Causes.....	497	7.5	951	26.7	464	8.2
Total.....	6,620	100.0	3,554	100.0	5,680	100.0

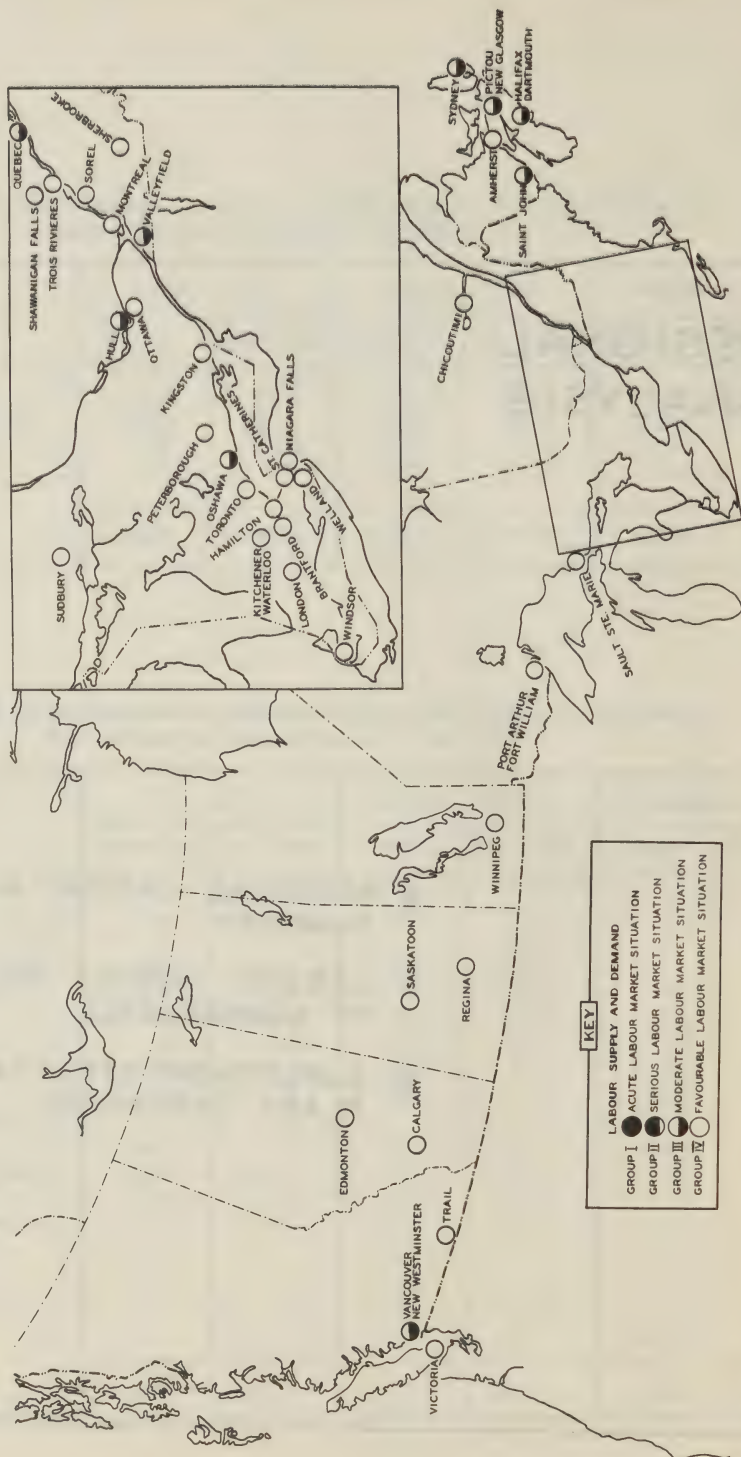
Table 2—Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry

Industry	July, 1948		August, 1948		September, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages.....	62	0.9	220	6.2	86	1.5
Tobacco Products.....	-	-	5	0.1	-	-
Rubber Products.....	677	10.2	960	27.0	-	-
Leather Products.....	-	-	13	0.4	-	-
Textile Products.....	100	1.5	705	19.8	241	4.2
Clothing.....	65	1.0	45	1.3	35	0.6
Wood Products.....	130	2.0	212	6.0	1,476	26.0
Paper Products.....	12	0.2	122	3.4	458	8.1
Printing and Publishing..	-	-	-	-	105	1.8
Iron and Steel.....	149	2.3	130	3.7	119	2.1
Transportation Equipment.	5,315	80.3	780	21.9	3,021	53.2
Non-Ferrous Metals.....	35	0.5	120	3.4	74	1.3
Electrical Apparatus.....	65	1.0	101	2.8	15	0.3
Non-Metallic Mineral Products.....	10	0.1	41	1.2	50	0.9
Chemical Products.....	-	-	60	1.7	-	-
Miscellaneous.....	-	-	40	1.1	-	-
Total.....	6,620	100.0	3,554	100.0	5,680	100.0

REGIONAL ANALYSIS

- ▲ REGIONAL LABOUR MARKET
SUMMARY**
- ▲ LABOUR MARKET RATING
OF COMMUNITIES**
- ▲ EMPLOYMENT EFFECTS OF
PLANT EXPANSION**

AS AT SEPTEMBER 1, 1948



REGIONAL LABOUR MARKET SUMMARY

The 1948 seasonal low in the number of unplaced applicants was probably reached by mid-September in all five regions except British Columbia. The construction industry was very active in all regions, while manufacturing labour requirements were highest in Ontario. The return of students to school caused an increase in demand for workers in September. By the end of the month farm labour needs had dwindled in all regions, although employment was high in the Pacific and Maritime areas.

The Maritimes

During September, the high level of employment attained earlier in the summer continued. Over 3,000 workers were absorbed in harvest operations by the end of the month, construction activity remained very high, and employment in the major iron and steel and coal mining industries was sustained. Many fishermen were idle during the month because of severe storms.

Unfilled vacancies at Employment Service offices were more numerous in September than in August, while the number of unplaced applicants remained relatively the same. Employment conditions can be expected to remain good until construction activity slackens off later in the fall.

The grain harvest was practically completed in all districts of the Maritimes during September, and workers were plentiful. The movement of workers into potato growing districts was more than sufficient to supply farmers needs in New Brunswick, P.E.I. and in the state of Maine. In 1947, 174,000 apple trees were removed from apple growing districts to be replaced with a type producing more marketable apples. This operation contributed to a reduction in the apple crop this year which is estimated at only 700,000 barrels compared to 800,000 barrels in 1947. Fresh apples will sell at \$3.90 per bbl., while apples for processing will sell at \$2.50 per barrel. Apple picking operations in the Annapolis valley started late in September and about 700 workers were being absorbed at that time.

Severe storms during September caused a reduction in the landings of fish, which in turn slowed canning operations. Herring again appeared in the fishing grounds, and the shortage of winter bait may be further improved by importing herring from Newfoundland.

Nearly all coal mines were operating at capacity and employment in this vital industry remained high. Few additional workers were required, however, and some small mines are deterred by lack of orders. Mechanization of "Dosco" mines is continuing.

Overall construction activity was very high during September; virtually all skilled men were employed.

Very little change occurred in manufacturing industries during the month as nearly all plants continued to operate at full production and with full staffs. Little hiring activity took place, and job opportunities continued very light.

Quebec

The growth in the intensity of employment activity in the Quebec region during September gradually levelled off as the seasonal work approached its peak. The construction industry continued to supply the bulk of September job openings, but woods operators were also seeking workers. Harvesting did not create any marked demand for additional labour and, by the end of September, many workers were available for construction and logging jobs. The number of unplaced applicants amounted to 24,150 at the end of September, compared to 13,700 job openings.

Quebec harvest operations were largely completed during September with no general shortage of labour. Crop conditions in the Quebec region were considered very good in most cases, although the current dry weather dried up pastures and dairy production declined as a result. Principal agricultural employment during the month was provided by potato picking operations in the state of Maine, where about 5,000 Quebec workers secured jobs; several thousand more workers than the quotas called for applied for this work.

The logging industry entered the employment picture during September. At this time it appears that the log cut, the number of workers, and the length of the cutting season, will all be reduced by about 20 per cent this winter as compared to 1947. American recruiters were still hiring men in Quebec during the month; so far eastern Canada has supplied 5,400 men to Maine logging camps, and another 3,600 men will be absorbed. Generally speaking, skilled loggers are expected to be in sufficient supply for this winter's cutting operations.

Manufacturing industries continued to operate at a high level. Canning plants were very busy in the region and a shortage of workers was encountered in some cases. The usual seasonal lay-off was taking place at Sorel. When completed the lay-off at Marine Industries Limited will have involved some 3,000 men.

The textile industry still requires skilled workers and since other applicants are scarce, D.P. labour was being absorbed with satisfactory results.

Ontario

Employment conditions in the Ontario region showed further improvement in the month of September as seasonal demand for labour reached a peak. Fruit and vegetable canning operations, and harvest work, including tobacco picking, reached a peak during the month and slackened off at the month's end. Construction labour demand was very high and manufacturing industries showed a considerable need for workers. Vacancies at Employment Service offices for both men and women and particularly for semi-skilled and unskilled workers, were hard to fill as peak activity was reached. The return of students to school further accentuated the September labour shortage.

The number of unplaced applicants in the Ontario region at September 16 dropped to 23,750, while job vacancies at that time totalled 28,300. Applicants showed a slight increase, and vacancies a small decrease by the end of September.

Harvest work was largely completed during the month and consequently many farm workers will soon be seeking winter employment in other industries. The permanent labour needs of farmers have been very well met with Displaced Persons and Dutch immigrants; reports on these workers continue to be very good. Fruit and vegetable canning plants generally slowed down operations by the end of September and many workers, principally women, will soon be released. Many former tobacco pickers were seeking other employment by the end of the month. Crop conditions in most districts were reported as better than average. The dry weather during September, however, greatly hampered fall plowing operations, and the same dry weather may reduce the spring wheat crop for 1949.

Manufacturing industries showed a considerable demand for labour during the month but few workers were available. A shortage of semi-skilled and unskilled workers formed the hard core of the labour shortage during September but this situation is only temporary and will be rapidly met as farm workers, and later construction workers, seek winter employment.

The Prairies

New post-war employment records were established in September, following the very high level of employment in July and August; at the same time, the number of unplaced applicants reached a very low point. An exceedingly active construction month, along with heavy harvest labour demand, and continuing high employment in other industries, largely accounted for the September employment record.

During the last ten weeks, ideal weather conditions have prevailed following the early drought conditions; consequently, crop conditions were much better at harvest time than was previously believed possible. At the middle of July, wheat crop estimates indicated a yield of 260 million bushels but, by September, the Prairie wheat crop was estimated at no less than 358 million bushels. This compares with 319 million bushels in 1947.

Peak farm labour demand during September was satisfactorily met with local labour and eastern harvesters. By the end of September, with harvest operations near completion in both Manitoba and Saskatchewan, labour demand slumped markedly. Harvesting in southern Alberta was almost over but was only about 66 per cent completed in the central section, and still further behind in the north. The Prairie harvest should be generally completed by about the middle of October. During September, about 800 workers were sent from southern Manitoba to North Dakota for potato picking; considerable difficulty was experienced in securing this labour. A further 300 workers will be sent from Saskatchewan to Montana for the beet harvest in October.

Construction work continued very active during September. A pronounced shortage of building labour developed but is expected to ease with the end of the harvest.

Flour mills and grain companies were in the midst of their busiest season in September and labour demand was heavy, particularly for grain elevators. A shortage of railway rolling stock hampered the movement of grain and also affected the coal mining industry, now busy with fall orders.

At the middle of September, there were roughly two job openings for every male unplaced applicant, and one job for every female applicant. At the middle of September, there were only 10,570 unplaced applicants in the region. The completion of harvest operations resulted in a slight increase in the number of unplaced applicants by the end of the month. Favourable employment conditions are expected to continue well into October.

British Columbia

The logging, lumbering, construction, and agricultural industries in the Pacific region were all exceedingly active during the month. The seasonal peak in agricultural employment has been reached, and while some levelling off in other industrial labour requirements was evident, current employment conditions are expected to continue favourable into October.

By the end of September, there were only about 1,000 more unplaced applicants than at the same time in 1947; in the spring of 1948, there were about five thousand more applicants than in 1947. Nearly 90 per cent of all unplaced applicants in the Pacific region are registered with the Vancouver, New Westminster, and Victoria employment offices. Since many urban workers are not willing to accept jobs in the primary industries and because manufacturing firms and retail and wholesale trade establishments were relatively quiet, labour demand in the main urban centres was far below the supply of workers.

Wage negotiations between the loggers' union and the operators were virtually completed with an amicable settlement almost definitely in sight. This will mean that logging operations, which have so far reached a very high level, will be able to continue without interruption. Skilled men are in short supply both in logging and lumbering operations. In the former industry, too, a shortage of unskilled workers exists in many districts.

The peak of fruit and vegetable harvesting operations was reached in September, and labour was plentiful; no labour shortage is anticipated for harvesting later apple and other crops. The hop harvest was finished by the end of September, and many workers were released for other harvest operations.

Demand for skilled miners remains high and it is doubtful if the closure of several gold mines which were non-profitable ventures will cause any immediate unemployment amongst hard rock miners.

Fishing operations have been below normal so far this year, and the salmon pack considerably smaller. Very little herring canning will take place this year as export markets for this product are very poor. Canning plants were still busy, with little additional labour required.

The construction industry continued very active during the month; skilled help remained in short supply and the supply of unskilled labour was reported as rapidly dwindling in some areas. The dwindling supply of unskilled labour was not so much due to an increase in construction activity, but rather to the heavy demand for labour in the logging industry. For the first time this year, there is a notable shortage of suitable heavy labour.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at September 1, 1948, at August 1, 1948, and at September 1, 1947.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

Group I—Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.

Group II—Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.

Group III—Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.

Group IV—Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for August and September of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio September 1, 1948	Group Rating		
		September 1, 1948	August 1, 1948	September 1, 1947
<u>Population of 100,000 and over</u>				
Quebec.....	68	III	III	III
Vancouver.....	57	III	III	IV
Windsor.....	44	IV	IV	IV
Victoria.....	43	IV	IV	IV
Winnipeg.....	31	IV	IV	IV
Ottawa.....	28	IV	IV	III
Calgary.....	24	IV	IV	IV
Hamilton.....	21	IV	IV	IV
Edmonton.....	17	IV	IV	IV
Montreal.....	17	IV	IV	IV
Toronto.....	16	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	114	III	III	II
Saint John.....	56	III	III	III
Halifax.....	51	III	III	III
Fort William - Port Arthur..	25	IV	IV	IV
London.....	20	IV	IV	IV
Regina.....	16	IV	IV	IV
Kitchener-Waterloo.....	8	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Hull.....	76	III	III	III
Oshawa.....	59	III	III	III
Shawinigan Falls.....	39	IV	IV	IV
Sherbrooke.....	37	IV	IV	IV
Three Rivers.....	33	IV	IV	III
Kingston.....	33	IV	IV	IV
St. Catharines.....	30	IV	IV	IV
Chicoutimi.....	29	IV	IV	IV
Saskatoon.....	23	IV	IV	IV
Peterborough.....	22	IV	IV	IV
Brantford.....	19	IV	IV	IV
Sudbury.....	17	IV	IV	IV
Sault Ste Marie.....	14	IV	IV	IV
<u>Population of under 25,000</u>				
Pictou - New Glasgow.....	90	III	III	II
Valleyfield.....	87	III	III	III
Amherst.....	41	IV	III	III
Sorel.....	23	IV	IV	IV
Welland.....	22	IV	IV	IV
Trail.....	17	IV	IV	IV
Niagara Falls.....	10	IV	IV	IV

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The value of contracts awarded during September continued to reflect a decline in industrial expansion compared to 1947. At this point, it is reasonable to assume that the reduction in the value of contracts awarded in 1948 compared to 1947 will amount to roughly 25 per cent. Due to the carry-over of work, however, the physical volume of industrial expansion compares favourably with 1947.

During the month of September, the value of contracts awarded for industrial construction amounted to \$7.9 million compared to \$18.7 million in September, 1947. The value of contracts awarded in the first nine months of 1948 was \$54.4 million compared to the \$76.2 million awarded during the first nine months of 1947.

Since the easing of capital restrictions prohibiting British industrialists from investing capital in Canada was announced, there has been a sharp increase in the number of British firms inquiring about establishing plants in Canada. Companies manufacturing textiles, furniture, aircraft, automobiles, and motorcycles, are amongst those interested. Estimates indicate that as many as 100 new British firms may become established in Canada in the next eighteen months.

Such industrial expansion creates employment in two ways: one, by providing employment for construction workers during the period when a new plant is being built; and two, by providing additional jobs when the completed plant commences production. Obviously, the effect of the latter type of employment is longer lasting and, therefore more important to the particular area where the new industries are located.

For these reasons, therefore, a listing by industry within each area of all such capital expansion, whether it will be a new plant, a plant expansion, or the occupation of empty plant facilities, is provided in this section of the Canadian Labour Market from month to month. The type of expansion taking place is denoted as follows: new plant - N.P., plant expansion - P. E., and occupation of present plant facilities - P.F. Estimates are also given of the date of completion and the number of additional workers likely to be employed when operations are underway.

The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION

Area	Industry and Name of Company	Type of Expan- sion	Possible Number of New Employees	Probable Time of Commence- ment of Production
Cap-de-la- Madeleine, P. Q.	Abrasives Electro Refractories & Alloys Canada Ltd.	P.F.	40	4th Qtr/48
Montreal, P. Q.	Aeronautical Instruments Aviation Electric Ltd.	P.E.	25	4th Qtr/48
	Office Equipment Duclos & Duclos Inc.	N.P.	20	2nd Qtr/49
	Paper Products Hygiene Products Ltd.	N.P.	100	3rd Qtr/48
	Pharmaceutical Preparations J. R. Watkins Co.	N.P.	15	4th Qtr/48
	Secondary Iron and Steel Ross Engineering of Canada Ltd.	N.P.	50	4th Qtr/48
Quebec, P.Q.	Automobiles Utility Car Corp. Ltd.	P.F.	1,850	3rd Qtr/48
Valleyfield, P.Q.	Pharmaceuticals, Drugs, etc. Merck & Co. Ltd.	P.E.	125	4th Qtr/48
St. Thomas, Ont.	Leather Products The Medcalf Shoe Co. Ltd.	P.E.	20	4th Qtr/48
Stratford, Ont.	Glass Products The Glass Guild Co.	N.P.	50	4th Qtr/48
	Secondary Iron and Steel Eastern Power Devices Ltd.	P.E.	25	1st Qtr/49
Trenton, Ont.	Canning and Preserving Crosse & Blackwell Canadian Co. Ltd.	P.E.	25	3rd Qtr/48
Red Deer, Alta.	Pulp and Paper Alberta Pulp Mills Ltd.	N.P.	300	4th Qtr/49
Vancouver, B. C.	Chemicals Canada Pulp Products Ltd.	N.P.	30	3rd Qtr/48

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
RESEARCH AND STATISTICS BRANCH

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DEPT. OF POLITICAL ECONOMY

October

1948

BAROMETRICS FILE

FEATURE ARTICLE..... Government
Publications

Current Agricultural
Manpower Problems

Volume 4

Number 10

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CANADIAN LABOUR MARKET
Research and Statistics Branch
Department of Labour

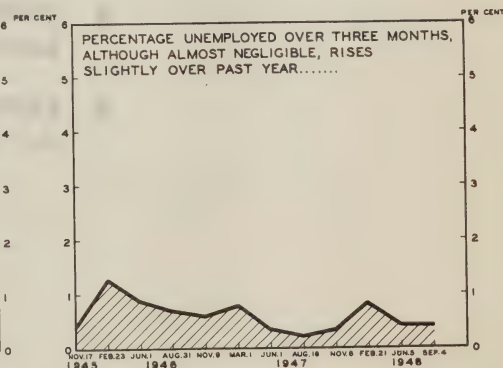
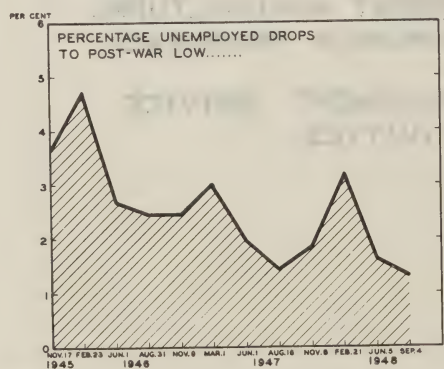
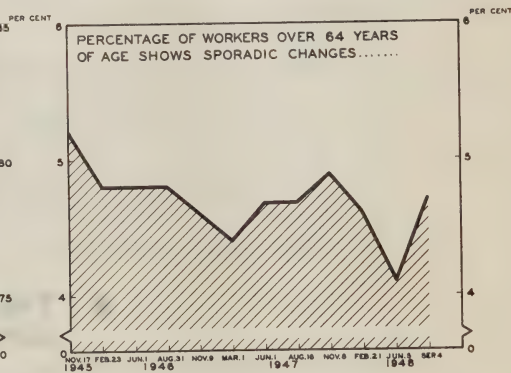
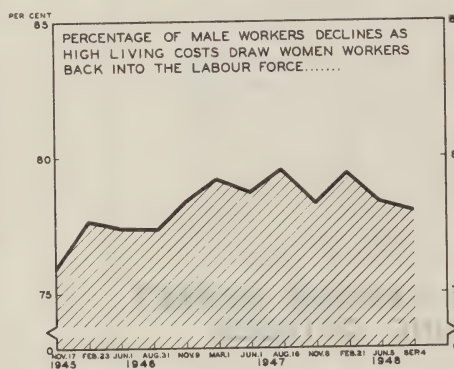
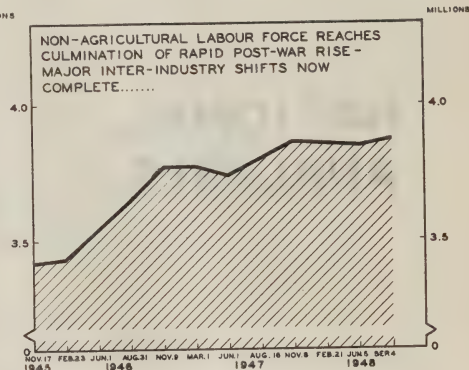
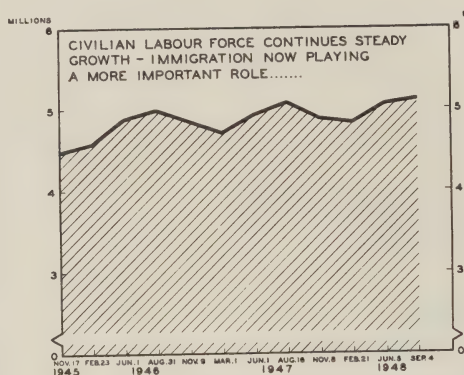
authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., I.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

NATIONAL ANALYSIS

- ▲ THE LABOUR MARKET
DURING OCTOBER
- ▲ CURRENT AGRICULTURAL
MANPOWER PROBLEMS
- ▲ EMPLOYMENT SERVICE
ACTIVITIES

THE LABOUR FORCE.....



THE LABOUR MARKET DURING OCTOBER

Seasonal employment declines began to occur in Canada during October. These will continue during the winter months and unemployment will consequently rise. The effects of the power shortage on employment grew more extensive during the month and threatened to become ever more serious in the near future. Few lay-offs have yet occurred, however. The steel shortage continues to be a problem with even greater difficulties ahead as imports from the United States are further restricted.

The labour market definitely loosened during October as activity in many of the seasonal industries began to contract. With the harvest virtually complete, farm workers are shifting to the woods, the mines, and to jobs in urban industries such as construction and meat packing where employment reaches its peak in the late fall. Many farmers, however, are currently doing their fall ploughing.

Work in construction and other fields active in the fall and early winter, however, will likely terminate in another month. After that time, additional workers will be added to the already increasing number of seasonally jobless Canadians. More than 250,000 construction workers will probably be employed throughout this winter, compared to about 200,000 last winter; seasonal jobs in meat packing plants, however, will not be as plentiful this year, since many farmers are shipping their livestock to the United States.

It now appears likely that peak logging employment this year will be about 15 per cent less than in 1947-48. Most companies plan to reduce their cut anywhere from 10 to 30 per cent because of high inventories and a softening in the foreign demand for lumber. At the end of October, it was estimated that the Eastern Canada logging cut was 30 per cent complete. Cutting operations will likely be finished by the end of the year.

The power shortage is looming as a serious threat to winter employment levels. So far, it has tended to affect employment in three different ways. First, many plants have adjusted their hours of work with no drop in total hours worked. Some firms have made slight changes in their daily hours in order to accommodate periodic power cut-offs. Other firms have introduced more night work, while still others have made changes in their normal work-week involving more week-end work.

Second, it has involved some reduction in hours of work to date. This has not yet become extensive, but some plants are closing for part of the day or for one day per week, thus reducing the total number of hours worked.

And thirdly, there has been a slight reduction in the number of workers employed as a result of the power shortage. Lay-offs have actually been few in number to date, but a tendency is growing in many industries of refraining from filling jobs as they become vacant until more is known as to how serious the shortage is going to become.

The seasonal expansion of the labour force this summer, as well as the shift of workers between the major industries, was not nearly as extensive as in 1947. Last year the labour force increased by 169,000 from the first of June to the first of September. The increase this year only amounted to 79,000 over the same period. Employment trends in agriculture, manufacturing, trade, and service were markedly different this summer than one year ago.

Employment in agriculture has dropped since the middle of 1946. At present in this industry, where about 60 out of every 100 workers are employers and workers on their own account and another 30 are unpaid family workers, the "pull" of higher wages in urban industries as well as the more attractive living conditions in the cities is being felt. This has been especially true during 1948 as the housing shortage in some cities shows signs of easing. Between June and September of this year, about 10,000 employers and own account workers left agriculture whereas, in 1947 over the same period, about 25,000 such workers entered the industry.

In manufacturing, employment this year has reached its postwar peak. The availability of more workers this year, not only as a result of shifts from other industries but also because of the natural growth of the labour force and of immigration (directly and indirectly as immigrants replaced workers shifting out of the primary industries), has permitted many manufacturing firms to overcome long-standing labour shortages. In 1947, manufacturing employment dropped by 47,000 from June to September. This summer, it rose by 33,000.

Employment in the trade, finance and insurance fields has risen rapidly since the war ended. The summer and early fall months of this year, however, saw the end of this rise at least for the present. This development, of course, can be traced to the levelling off in the volume of retail sales which has characterized 1948. This summer, employment in these fields rose by 6,000 to a total of 779,000 at the first of September; from June to September last year, a rise of 81,000 occurred.

The number of workers in the services, too, has risen steadily during the postwar years. Here also, however, the relatively low wages of most service jobs as well as the rising cost of living has resulted in many workers shifting to employment in other industries. This has been especially true during the recent summer months when labour shortages existed in other higher-paying fields.

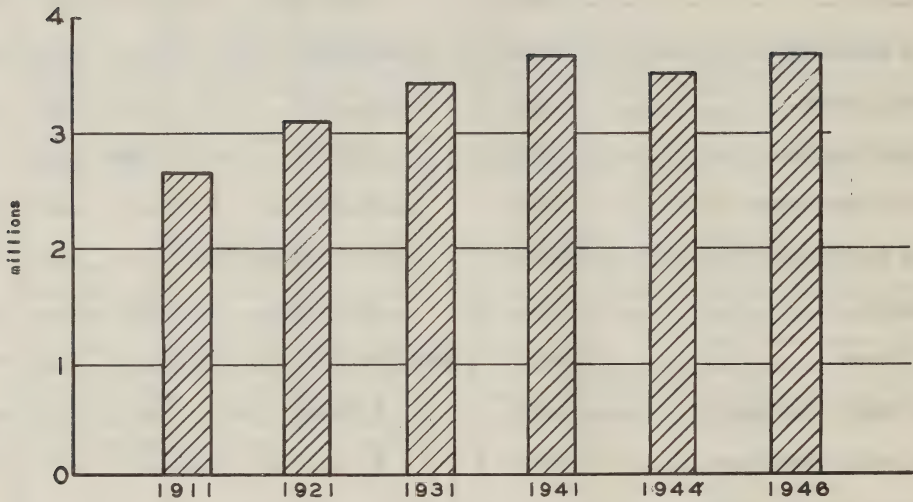
SELECTED LABOUR MARKET TRENDS

Indicator	Latest Data		Percentage Change		To Date This Year From Same Period Last Year
	Month	Amount	Previous Month	Same Month Last Year	
Immigration.....	Sept.	12,000	up 8.3	up 64.2	up 127.8
Civilian Labour Force	Sept. 4	5,109,000	-	up 0.6	up 1.8
Total Employment.....	Sept. 4	5,042,000	-	up 0.7	up 1.8
Total Unemployment.....	Sept. 4	67,000	-	down 8.2	nil
Industrial Employment (a).....	Sept. 1	2,172,000	up 0.3	up 4.8	up 5.5
Unplaced Applicants (b).....	Nov. 1	102,000	up 16.6	up 6.3	up 0.8
Live Claims.....	Oct. 1	45,000	up 1.1	up 22.1	up 24.2
Labour Income.....	Aug.	\$604,000,000	up 1.3	up 14.2	up 14.2
Average Weekly Earnings (c).....	Sept. 1	\$39.04	nil	up 12.3	up 13.3
Average Hourly Earnings (c).....	Sept. 1	\$.93	up 0.8	up 13.6	up 14.1
Real Weekly Earnings (d) Av. 1946 = 100	Sept. 1	100.5	down 0.9	down 1.5	down 2.0
Average Weekly Hours (c).....	Sept. 1	41.8	down 0.7	down 1.2	down 0.7
Cost of Living Av. 1935-39 = 100.....	Oct. 1	159.6	up 0.4	up 12.2	up 15.3
Man-Working Days Lost by Strikes	Oct.	87,000	down 26.3	down 78.2	down 61.7
Industrial Production Av. 1935-39 = 100.....	Sept.	183.3	up 4.0	up 4.8	up 3.3

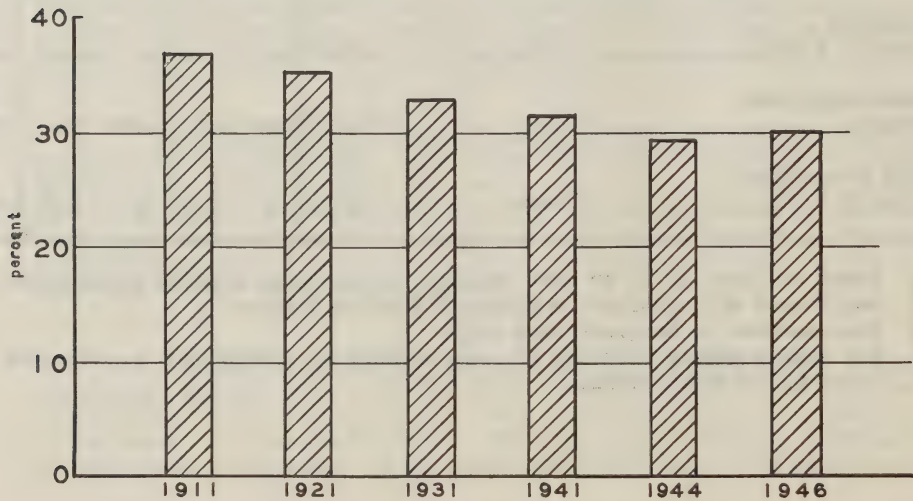
- (a) Based on firms of 15 or more workers, in the nine leading industries.
- (b) Registered with National Employment Service offices.
- (c) Wage earners in manufacturing only.
- (d) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

POPULATION IN FARM COUNTIES

TOTAL NUMBER



PERCENTAGE OF TOTAL POPULATION



CURRENT AGRICULTURAL MANPOWER PROBLEMS

With continual competition from expanding urban industries, the maintenance of an adequate working force for agricultural needs remains a problem. Some alleviation has already been achieved through organized shifts of farm workers, immigration of experienced agricultural workers and more efficient use of available labour. Nevertheless, important changes in the organization of Canadian agriculture will no doubt have to come before satisfactory long-run solutions may be reached.

One of the principal questions which arises out of the current prospects of continued high employment in Canada is, can agriculture be expected to secure the manpower it needs in competition with expanding urban industries? An answer may suggest itself immediately; with the high demand for food products and the "good" prices for farm commodities, farmers can offer wages as attractive as other industries, and thus, especially today with increased farm mechanization, they should be able to meet their labour needs merely by encouraging fewer of the "surplus" farm workers to leave agriculture each year.

The solution is not quite so simple as this answer might indicate. In the first place, even though farm prices are relatively high and farm wages have risen correspondingly, ⁽¹⁾ it does not follow that workers will be attracted to agricultural jobs or that all of those already in agriculture will wish to remain. There are strong indications that as long as jobs are available in urban industries workers from agriculture will be attracted to them. Comparable wages in farming will, of course, be an offsetting consideration, but such items as year round jobs, unemployment insurance, workman's compensation, superannuation, better housing and urban living are likely to be, individually or collectively, over-riding considerations "pulling" towards city or town employment. A number of "push" forces operate in the same direction. These include farm mechanization, long hours of work, isolation and frequently poor living conditions. There has been, it should be added, some improvement from the standpoint of agriculture especially in commercial farming areas, in each of these latter items during recent years. Nevertheless, with better communication, including radio and documentary film, farm workers are becoming more informed of conditions of employment elsewhere. The mingling of rural and urban youth in the services and in wartime employment worked to this same end.

(1) The index of farm prices of agricultural products, based on 1935-1939 = 100 stood at 204 for 1947 for Canada, and at 259 for the United States. The monthly farm wage without board rose by the spring of 1948 to \$113 in each country.

In addition, it should be noted that there is not much difference today in the birth rate in the commercialized farming areas from that in urban centres; in fact in some specialty farming areas, even with the reduction in labour needs accompanying mechanization, it is doubtful whether farm families with present rates of reproduction could supply all the labour needed, even when assuming all will remain in agriculture. (2)

Some workers, it is true, might move from subsistence farming areas but even with special inducements during the war years not many persons from such areas went to other agricultural districts. Thus, when many of those for whom it would be advantageous economically to move do not do so and when both "pull" and "push" forces are at work on those in commercial farming areas, there is not much prospect of substantially reducing farm labour shortages through any slowing up of the rural-urban flow of workers.

If then there is not much prospect of assistance in meeting farm manpower requirements from other industries under full employment conditions, where else can aid be obtained? There are at least three other possible approaches which need examination. These are organized shifts of farm workers; experienced agricultural workers from other countries; and improved use of labour.

Organized Shifts of Farm Workers

Considerable success was achieved in Canada during the war years in arranging controlled movements of farm manpower on a seasonal basis. These movements, developed by the Department of Labour under the joint Dominion-Provincial Farm Labour Program, are continuing during the post-war period. The principle which underlies these organized movements is that it is in the national as well as the individual's interest to encourage workers who can be spared for a short period in one area to move to another area where their services are needed. A number of safeguards are introduced for the protection of employers, both in the supplying and receiving areas, and of the employees. These include: no transfers unless local supplies of labour are insufficient; quotas for the number of volunteers in each locality; approval only of applicants who are physically fit, experienced farm workers; guaranteed wages at current specified rates; submission of employers' applications in advance; screening these applications to ensure that labour is sent first to those farms most in need of it; and continuous daily contact between recruiting and receiving areas to ensure that the forces of supply and demand, which in these cases operate as many as three thousand miles apart, are kept in as close adjustment as possible. These organized movements include several between provinces and between the United States and Canada, but perhaps the best example of this regulated farm labour market is the two-way movement of young workers between the Prairie and Central provinces. (3) The eastward movement for haying and early

(2) What's ahead in Farm Labor? by George W. Hill, Farm Labor Program, U.S.D.A., 1947, p. 8.

(3) In 1948 there were thirteen major organized movements, involving approximately 16,000 workers; six of these movements were across the international boundary.

harvesting in Ontario takes place in the early summer after grain is seeded and summer fallowing is well advanced on the Prairies; the westward movement for grain harvesting on the Prairies takes place between August 15 and September 15 as work in Ontario and Quebec begins to slacken and the harvest work in the West is getting into full swing.

These organized transfers of labour to meet urgent seasonal needs have proven valuable in making labour more mobile and in effecting a better over-all allocation of manpower on the farm. It is generally agreed that the quality of the workers moved under these plans is higher than under earlier, more haphazard migratory movements. The planned organization of the labour market also results in less waste of time and effort for both employees and employers, as well as creating less disturbance to the areas from which the workers are drawn than would be the case otherwise. Besides achieving the immediate objective of meeting farm labour requirements with qualified workers, the individuals participating in these movements are able to increase their annual earnings and gain experience in agriculture in another region. Considering the over-all gains obtained from these movements, the expenditures on them by federal and provincial governments amounting in each case during recent years to approximately \$20 per worker, cannot be considered large.

These organized shifts of farm workers, along with all available rural as well as urban local labour, are an important aid in meeting the seasonal needs of farm manpower in all parts of the country. They are not as suitable, however, on the basis of present conditions to meet year-round labour requirements. For these, it is necessary to search elsewhere.

Experienced Farm Workers from Other Countries

The largest single source which has been found for year-round experienced farm labour is Western Europe. This labour, which first became available in 1946, consists of three main categories: Polish veterans who fought for the allied armies under British Command; "displaced persons" located in the occupied zones of Germany and Austria; and interested workers, either as individuals or groups, from other western European countries, notably the British Isles and Holland.

The Polish veterans, who number slightly over 4,500, came to Canada under an over-all plan developed between the British and Canadian Governments. They were selected from interested unmarried applicants, with experience in Polish agriculture. They agreed to accept employment at current wages in agriculture as directed by the Canadian Minister of Labour, and to remain in agriculture for at least two years, but not necessarily with the same employer. After five years they may become Canadian citizens. The farm employers on the other hand submit written applications so that their needs can be appraised and their living and working conditions checked in advance. They must also guarantee year-round employment at going wages in the community.

The plan is working well. This is partly because the men are eager to become established in a new country and partly because of the willingness of farm employers to help them wherever possible. But it is also due to the care taken in matching the skills of these ex-soldiers with the needs of their employers, and to the systematic follow-up being

made by local National Employment Service and Provincial Agricultural Extension officers under the Dominion-Provincial Farm Labour Program . The latter enables grievances to be removed before they become serious and prompt action to be taken in shifting veterans to other farms where this is in the best interests of all concerned.

Somewhat similar plans are in operation for the other two groups of farm workers coming to Canada from Western Europe. During the first half of this year over 7,000 single and married men and single girls have been placed in agriculture in all of the nine provinces, mainly from these two sources.

It is early to know what the long-run effect of these immigrant groups of workers will be on the farm labour problem. It is well known that a large proportion of earlier groups of immigrants left agriculture at the first opportunity for urban employment in Canada or the United States. Some steps are being taken to encourage these workers to remain on the farm under the Farm Labour Program. At the present time, however, there appears to be almost no limit to the number of Europeans who would like to come either to Canada or to the United States. The only serious question that has to be carefully considered is that the number of workers selected does not exceed the absorptive capacity of the country.

Improved Use of Labour

In addition to the organized transfers of workers to meet seasonal needs and the European workers largely to meet year-round needs, a third approach to the problem of securing adequate manpower for agriculture is to encourage a fuller utilization of labour already on the farm.

Labour efficiency in agriculture has not been high, largely because of the heavy dependence of the industry on hand labour. The loss of farm manpower during the war and the replacement of it by mechanization wherever possible have required greater attention to the use of labour. More farmers, today, are recognizing that it pays to work out efficient methods of doing jobs around the farm just as much as it does to improve crop management or the care of livestock.

One of the ways in which labour efficiency can be increased is through greater stability of work on the farm. The provision where possible of more year-round employment will contribute to this objective. Closely related is the need for suitable housing for employed workers. Inadequate housing and long hours of work are undoubtedly two of the most important factors militating against better labour utilization and giving rise to the exodus of manpower from agriculture.

Some steps have been taken under the Farm Labour Program in this field. These include the preparation of both a two reel coloured film entitled "Workers on the Land" and a bulletin entitled "Better Farm Living for Workers on the Land." These and other similar educational efforts are made easier by the fact that the Farm Labour Program is a joint one between the Federal Department of Labour and the Provincial Departments of Agriculture. The agricultural extension machinery of the latter departments is a logical avenue through which farmers can be approached on this important matter. The Federal Department of Labour

on the other hand, with its national perspective and its over-all concern with full employment, is able to stress the bearing of efficiency on the allocation of all manpower and can draw on experience of other industries in pointing to ways in which productivity of labour may be increased.

In conclusion, it is clear that under present "tight" labour market conditions the farm labour situation needs careful watching, just as it did during the wartime emergency, if manpower and other resources are to be used in the best interests of the country. When an increasing number of farmers have a large amount at stake in their crops and livestock, when there are several economic and sociological obstacles which make it hard for them to compete with other employers in the labour market, and when Canada has definite commitments to supply food to other countries, the problem of securing an adequate labour force can be left no longer to the old "hit and miss" methods. Workers, too, need some protection in the farm labour market, especially when they find themselves up against inferior living and working conditions about which, as individuals, in the absence of union organization, they can do little.

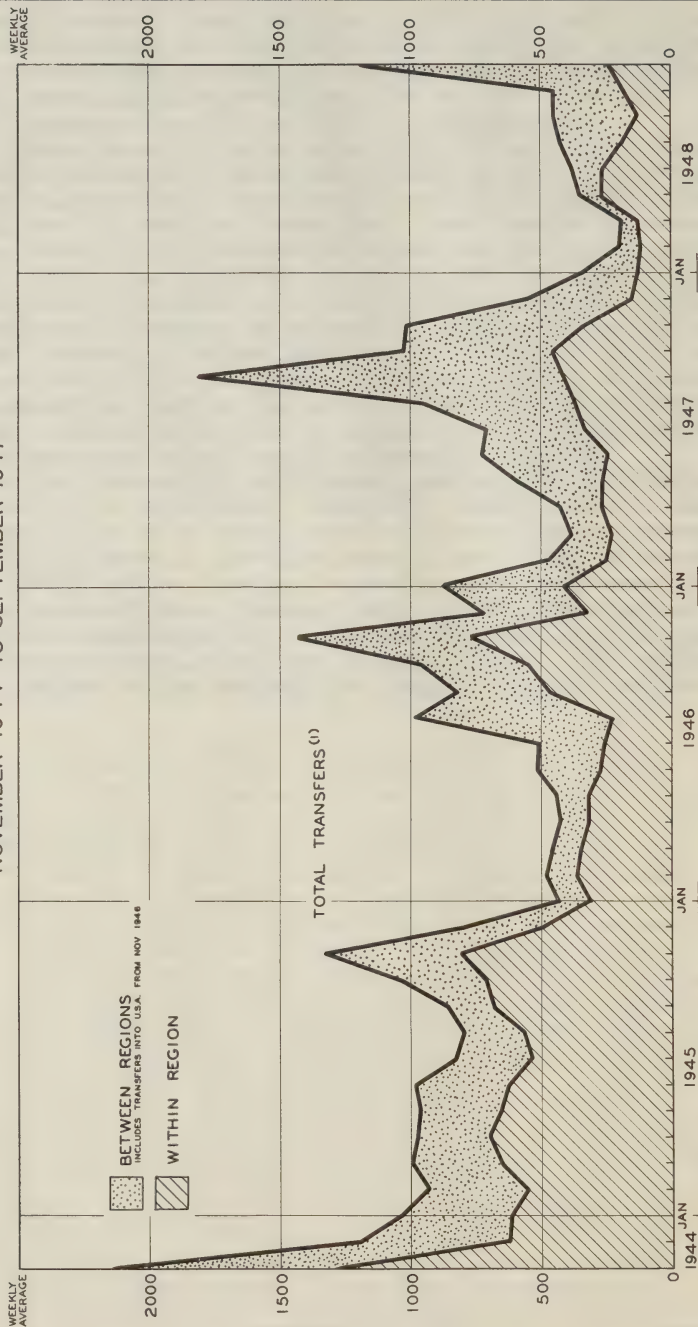
The steps enumerated above, namely, organized movements of experienced farm workers, importation of Europeans and the encouragement of better labour utilization, have helped to meet most of the pressing current needs for farm manpower in Canada. They also may point the way to beneficial long-run policies, although it is recognized that they have not met the situation completely either in the present or in the prospective future. Much research is still needed on many phases of farm labour. Important changes in the organization of Canadian agriculture, will no doubt have to come before satisfactory long-run solutions to many farm manpower problems can be reached.

MOVEMENT OF WORKERS

BY

NATIONAL EMPLOYMENT SERVICE

NOVEMBER 1944 TO SEPTEMBER 1947



(1) REFERS TO THE NUMBER WHO HAVE BEEN TRANSFERRED TO VACANCIES OUTSIDE OF THE TERRITORY SERVED BY THE REPRESENTING LOCAL OFFICE

SOURCE: U.I.C. 751

EMPLOYMENT SERVICE ACTIVITIES

Re-directing of workers from summer to winter-active industries sustained placement operations during the month of October. Unplaced applicants remained relatively low and only at the end of the month rose over the 100,000 mark. Demand had eased among most classes of workers although the shortage of women workers remained acute. Clearance of orders was still extensive. It was evident, however, that the turning-point in seasonal activity has been reached.

During October, there was still a good selection of jobs to offer the increasing number of registrants for work and thus the number of unplaced applicants was kept below the 100,000 mark until the end of the month; at that time (October 28), the unplaced had risen to 102,000. The large demand for unskilled workers evident in September had mainly disappeared, although placements among this type of worker continued strong throughout October. Emphasis was gradually shifting to the skilled and semi-skilled group of workers as employers endeavoured to fill vacancies in staffs depleted during the tight labour market of the summer months. The change-over was evidenced in the tightening of employers' specifications regarding age, education, experience, and in the increased attention being paid to the work-records of applicants.

Placement operations were extremely active during September and October, these months usually marking the peak in placement activity for the year. In September, placements were boosted by hirings in agriculture and food processing plants, along with slightly higher placement levels in mining and services. By October, demand had largely subsided in agriculture and its ancillary industries but placements were sustained as workers released from these industries were re-directed to jobs in mining, logging and construction. Placement activity appeared to be progressing at approximately the same level as that for 1947.

The migration of farm workers to the cities during the off-season, which has a very direct bearing on the labour market at this time, has not been as extensive to date as for the same period in 1947. Three reasons have been put forward for this development: the open fall weather this year has enabled farmers to lengthen the season of plowing and thus a large number have remained on the land to a later date; good crop yields have substantially increased current farm income, especially in Ontario and Quebec, and as a result fewer farmers have been forced to seek winter employment for financial reasons; the seasonal agricultural labour force this year has been made up of immigrants to a greater extent and, as these workers have either permanently settled in agriculture or have contracted to stay on the farm for one-year periods, the seasonality of farm work was expected to be somewhat less than in former years. The smaller movement was reflected in the September volume of applicants registering when, for the first time in eight months, the level of registrations was lower than in 1947.

Industrial labour demand was lower than at this time last year. This was largely attributed to the fact that hydro-electric restrictions have been imposed in Central Canada at a much earlier date than in 1947. Although up to the end of October the number of persons put out of work because of power cuts has been negligible, it has, nevertheless, had a depressing effect on hirings, especially on Ontario mining and manufacturing industries.

The situation for women workers continued to be one of serious labour shortages in practically all main occupational groups. Stenographers, nurses, teachers, waitresses, and domestics were among the occupations where women were in very short supply. Despite this situation, 34,000 women were registered for work at employment offices at the end of October. One of the major difficulties in effecting placements was that many of the women were married while employers were very reluctant to accept any but single girls. With the steady rise in living cost, women workers were also becoming selective as regards wages and many were unwilling to accept the low-wage jobs which are available, especially in the clerical and sales lines. Immigration as yet has had little effect on easing shortages. Even in domestic service where 7,000 persons have been brought in from Displaced Persons camps, demand is still exceptionally strong. The dropping off in tourist trade at this time had resulted in the closing of summer resorts and the releasing of service workers, but despite this, practically all restaurants were still very short of workers.

A sensitive index of employment conditions is provided in the volume and extent of clearance of orders at employment offices. Under conditions of heavy labour shortage, clearance is used considerably and is extended over relatively large areas; as the labour supply increases, fewer orders are cleared and those which are usually circulated over only a relatively small area. The high level of clearance during October indicated the buoyancy which prevailed in the labour market. In the Ontario and Quebec regions - the chief areas of clearance - there were over 3,500 orders which could not be filled locally and had been circulated in the other areas; of these, almost 1,000 originated outside of the respective region. A number of orders were in Dominion-wide circulation. In addition, over 50 orders had been cleared to the employment office in Great Britain.

Requests for practically all types of workers could be found among these in clearance. Skilled tradesmen for manufacturing predominated with the needs of the construction industry also very heavy. Clearance orders for loggers and miners were seasonally strong.

Table I--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

Series	Average Weekly		
	September 1948	August 1948	September 1947
Applications for work ^x	31,000	27,000	31,000
Vacancies notified	29,000	28,000	35,000
Placements	16,700	15,100	16,700
Women	4,400	4,000	4,600
Veterans	2,800	2,700	3,400
Handicapped	290	280	280
Executive and Professional	65	65	75

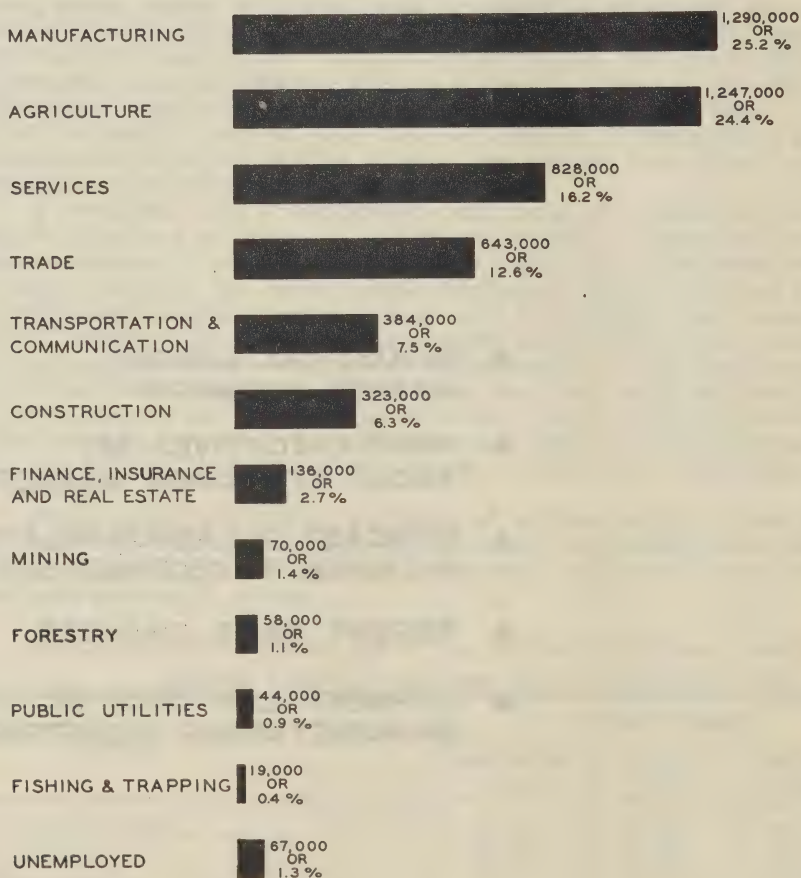
^x Does not include renewals

INDUSTRIAL ANALYSIS

- ▲ INDUSTRIAL LABOUR
MARKET SUMMARY
- ▲ WHAT EXECUTIVES SAY
ABOUT CONSUMER MARKETS
- ▲ FORECAST OF LABOUR RELATIONS
IN CANADA TO DECEMBER 31, 1948
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

INDUSTRIAL DISTRIBUTION OF THE CANADIAN LABOUR FORCE AS AT SEPT. 4, 1948

TOTAL LABOUR FORCE - 5,109,000



INDUSTRIAL LABOUR MARKET SUMMARY

According to the Dominion Bureau of Statistics, at September 4, 1948, there were 5,042,000 employed persons in Canada, more than ever before in the country's history. The increases in employment since 1947 have been entirely in non-agricultural industries as farm employment dropped some 50,000 over the twelve month period, to less than 1,250,000. The largest increases were recorded in manufacturing, up to 56,000 and construction, up to 40,000.

MANUFACTURING—

Estimated employment (October).....1,292,000

Power Shortage disrupts production...

Cut-offs in hydro-electric power during October have considerably disturbed manufacturing industries in many centres in Ontario and Quebec. As a result, plants in the affected centres have had to re-organize working hours to include night shifts, short-time, and week-end work. In the labour market, the result has been a drop in requirements of workers.

Besides the drop in job opportunities from this source, there has been a general decline in vacancies registered in the manufacturing industries with National Employment Service during 1947. Although total employment in manufacturing is up some 56,000 from last year, the number of vacancies is only half the 1947 total. This suggests that the majority of the firms in the industry are gradually building up adequate staffs.

Of the 17,600 vacancies at the first of October, over 5,500 were in textiles; 2,300 in food; 2,000 in lumber and its products, and 1,300 in pulp and paper plants. Textile vacancies were mainly for female workers, a shortage of which still curtails production in many firms which rely on women for factory work. Scarcity of steel, reportedly worse since further import restrictions were imposed, has been slowing production in many plants which use special steels from the U.S. Short term lay-offs were occurring in automobile plants, as has been the case all summer, and more extensive lay-offs are to be expected during December when re-tooling for the production of new models gets under way. However, a smoother flow of production in General Motors plants should result from the ending of the strike in McKinnon Industries Ltd., (automobile parts) in St. Catharines. This 105-day strike, the longest in the history of the company, was terminated on October 31.

AGRICULTURE—

Estimated employment (October).....1,150,000

Harvest over; little labour demand...

During October, harvesting was fairly well completed in most parts of Canada. Although some late crops, such as beets, turnips and apples, were being brought in, there was little demand in general for farm help.

The usual winter movement of labour out of agriculture was getting under way. Some farmers were moving to jobs in the bush or on construction projects or migrating to the cities for industrial work. More, however, were engaged in fall ploughing, cutting fuel wood and generally finishing the season's work.

The more satisfactory labour situation in agriculture this year was due in large part to the increased number of immigrants available for farm work. At the end of the 1948 season, however, many D.P.'s were being released by farmers who would not require them for the winter months. As well, the first batch of Polish immigrants had completed their two-year contract period. Some of these workers are staying in agriculture, often buying their own farms, but many are shifting to jobs in other industries. The need for, and interest in, immigrant labour was reported as considerably slackened during the latter part of 1948.

SERVICES—

Estimated employment (October).....835,000

Civil Service offers many employment opportunities...

A report issued by the Dominion Bureau of Statistics during October offers some interesting data on one of the largest divisions of the services industry, namely, the Dominion Civil Service.

One of the outstanding phenomena of modern times has been the increasing scope of government activity in our social and economic life. In Canada, this has become very evident since 1939 as governmental functions have been extended in the fields of social security, national defence and economic planning.

The administration of these services has resulted in a considerable growth of government employment. At March 4, 1948, the Dominion government employed 118,000 persons, as compared with 46,000 in March, 1939. The largest departments in the government at the present time are those which have grown up to perform these new functions. The Department of Veterans' Affairs employs 18,000; National Revenue, including Income Tax, 14,000; National Defence, 8,000; Trade and Commerce, 8,000; and the Unemployment Insurance Commission, 7,000.

With this expansion, the field of government employment has become one of the most active sections of the Canadian labour market. For overseas veterans especially, who are given preference, there has been a wide variety of employment opportunities. While most of the jobs are clerical in nature, the expanded work of the government has come to require an increasing number of technicians and specialists in almost every field. For example, positions advertised during October, 1948, included the

following occupations, with their salary ranges in brackets: biologists (\$2,700-\$3,300); anthropologists (\$2,400-\$2,700); agricultural scientists (\$3,900-\$4,500); junior administrative assistants (up to \$2,400); hospital laboratory technicians (\$2,280-\$3,000); foreign service officers, agriculture (\$2,700-\$3,900); and even a job known as a vocabulary research assistant (\$2,280-\$2,580).

LOGGING—

Estimated employment (October).....97,000

Peak season approaching...

There was a very active labour market in the Eastern Canada logging industry during October as extensive pulpwood and lumber cutting operations got under way. The month saw a heavy movement of workers, including a large proportion of farmers, to the bush.

In Canada as a whole, the pulpwood cut is expected to be lower this year after last season's exceptionally heavy production which more than rebuilt depleted inventories. Correspondingly, employment will probably be lower. Cutting operations should be completed earlier this year, sometime during January, as compared to the 1947-8 season when cutting extended into March in some camps. It was estimated that 30 per cent of the cut was finished by the end of October, 1948.

Although manpower shortages occurred in some parts of Quebec during October, the general tenor of reports received by the Department of Labour indicated a satisfactory manpower situation with less labour turnover. A large body of bushworkers left Quebec to work in the New England states but there, too, it was reported that demand had dropped somewhat from last season. In Northwestern Ontario, well over 50 per cent of the labour force which will be required this year was on hand with a better quality of worker available. There was enough labour to fill operators' needs in the Maritimes, as the uncertain lumber market will again reduce the volume cut.

In British Columbia, the industry was operating at capacity but the demand for men was sluggish. In fact, labour surpluses were reported in a few areas.

MINING—

Estimated employment (October)..... 68,000

Drop in labour demand during October...

There was a marked decrease in employment opportunities in the Canadian mining industry during October. Power cuts hindered production in Ontario and Quebec gold mines, resulting in several cancellations of orders placed with the National Employment Service. As well, a slackening in demand for bush workers has increased the number of applicants for mine work in some parts of Quebec. Other mines did heavy hiring during September and early October and their demand for labour dropped off towards the end of the month. The effect of these factors in alleviating the shortage of labour in the mines has aided the slow return to normal employment conditions.

In some mining areas in the West, however, especially isolated mines, there is still a shortage of labour. Several companies, including Hudson's Bay Mining and Smelting, Sherritt Gordon and Steep Rock, are still looking for men. Transient labour coming in after the western harvest has helped this situation somewhat.

Coal mines were generally adequately staffed during the month. At the first of October, the National Employment Service had orders on hand for 333 men in this industry. The greatest part of this demand was centred in the Prairie provinces which required 297 miners. Nova Scotia mines were reported as working steadily with increased production. In Canada as a whole, coal production in the first 8 months of 1948 totalled 9.9 millions, 2 million tons over production in the same period of 1947.

WHAT EXECUTIVES SAY ABOUT CONSUMER MARKETS

Opinions of executives of leading firms in many industries are obtained by interviewers of the Employment Forecast Survey of the Research and Statistics Branch. Each month, a selection of these opinions on a single topic of concern to both management and labour will be presented in this section of the Canadian Labour Market. The topic for this month is the state of markets for consumers' goods.

The quotations which follow dealing with the market outlook for consumer goods, are drawn from a small sample of Canadian industry, which may not be highly representative. However, it appears that two conclusions may legitimately be drawn: (1) in general, most consumer goods industries are working nearly at capacity, and are finding it difficult to satisfy the heavy demand which results from the present high level of national income. (2) Some industries nevertheless have discovered limits to their markets; in some cases the postwar peak has been passed, and production has dropped considerably.

Some of the factors stimulating or depressing different industries are suggested in the comments given below. The high level of prices has probably reduced food sales to some extent, but its effect has been felt more heavily in reduced sales of luxuries, such as jewellery and cosmetics. The backlog demand accumulated during the war and pre-war years continues to stimulate some of the industries producing durable consumers' goods, such as stoves, refrigerators, and especially automobiles. The effect of the boom in house-building is felt here. But, in other cases, backlog demand appears to have been nearly or completely satisfied; examples of this are furniture, rubber tires, and most obviously radios. Contributing to this sluggish tendency is the reluctance of dealers to increase their inventories beyond present levels, for fear of a price decline.

Some industries, like primary cotton, have been aided by the reduction of competing imports. In other products, like men's socks, United Kingdom competition is beginning to be felt. In the case of meat, export markets determine the price level. Export markets are also important to some producers of durable goods, such as stoves and tires, and these may suffer from the effects of the dollar shortage overseas.

Meat Packing

(1) "Price resistance, egged on by press reports, has taken a heavy toll of retail sales. There is no more effective method of breaking prices than the refusal of women to buy. However, people become accustomed to higher prices. When pork first went up, after the new British prices were announced, there was a fearful outcry. Since then prices have increased still further, but beef prices have also gone up, making comparisons difficult, so that recent pork price increases caused no comment.

"While there is still a meat shortage in the United States, our beef, which is fed on harder grains, does not come up to the corn-fed United States beef in tenderness. It therefore seems unlikely that their buyers will pay United States prices for our cattle. But if United States buyers force cattle prices up, we will have to go along.

"In export markets, Argentine prices are already below those of Canada".

(2) "As a result of the removal of the embargo on export of cattle to the United States, the volume of processing of all kinds of livestock in Canadian packing plants will decrease by about ten or fifteen per cent in the next twelve months.

"The substantial increase in production of livestock expected in the next year is bound to have a beneficial effect in many directions even though, or possibly because, it may to some extent result in a moderate depression in prices, provided such depression is not too low.

"Due to the favourable feed grain ratio, and a slight lessening of consumer demand for meat, now becoming apparent, meat prices may possibly fall over the next six months by about 20 per cent, and even more by next fall.

"Other reasons for this opinion are the present noticeable trend toward lower prices in the United States, and the reduction of quantities exported under the British food contracts."

Dairy Products

(3) "Volume of business is steady, apart from seasonal fluctuations. Ice cream sales drop off in the fall and winter. Sales of milk and butter remain fairly constant, except in the case of a price change. The last price increase brought an immediate drop in sales, which then stabilized at a lower level. Any further increases in price will have a similar effect."

Confectionery

(4) "Ice cream sales are higher than in 1947. The same applies to chocolate products. We are making as much of everything as we can, and are barely keeping up. Export sales have decreased, but we are not interested because of the high domestic demand."

Cotton Yarn and Cloth

(5) "Canadian demand is still greater than the Canadian textile industry can supply. Imports from the United Kingdom will not reach the levels expected earlier in the year, and United States textiles are largely cut off by the dollar-saving restrictions. This would indicate future capacity production by the entire Canadian textile industry".

Clothing

(6) "There are some soft spots in the domestic market. Imports of men's hose from Britain are aided by indirect subsidies to the British manufacturer. Knitted outerwear does not sell as easily now because of the high price of wool. There is still a pent-up demand for underwear and hosiery, which is expected to hold for some time".

(7) "A strong demand for ladies clothing still persists. However, in some sectors, conditions are constantly becoming more competitive, and smaller manufacturers, especially those producing cheaper goods, are having difficulty in disposing of their production".

(8) "Generally speaking, markets are holding, and we expect capacity production to continue for another year anyway. We cannot supply enough nylon hose, due to the shortage of nylon yarn.

"However, at present the retailer is hesitant about placing large orders in advance, due to the high prices. The market is wide open, if the retailers would buy in advance so that we could supply it; but this last-minute buying makes planned production impossible".

Boots and Shoes

(9) "In the domestic market, there is a definite consumer resistance to the higher-priced shoes. But any falling-off in this line is offset by increases in sales of our cheaper line.

"United States markets are holding in spite of high prices. It was expected at the time when price control was removed that United States buyers would at least cut their orders in half.

"Raw material costs are high, but the tanners have huge inventories and are anxious to sell. This is difficult, because shoe manufacturers don't want to buy in advance, and neither do shoe retailers, because of the present high prices. All are anxious to keep their inventories low".

Household Electrical Appliances

(10) "Output is limited by steel supplies. We cannot begin to meet the demand. I would hate to tell you how much our output of ranges has exceeded the original estimate. We could have sold a lot of our most expensive model in Canada this year, but made none because of the steel shortage. I believe the domestic market is now large enough to permit tooling for it by Canadian firms".

Radios

(11) "This company's payroll has dropped sharply in the past year. There is no doubt that the Canadian radio industry can now produce more than the Canadian market can absorb. Competition has become extremely keen, and price-cutting has started, to such an extent that some manufacturers are practically dumping their products on the market".

Household Utensils

(12) "Operations are close to capacity, except where limited by supplies. The usual seasonal decline in sales of household and kitchen utensils has occurred, but other products are moving out of the warehouses at a normal rate. The ratio of inventories to sales is not high, but could quickly become so if sales dropped. We do not expect this to happen".

Furniture

(13) "This company manufactures kitchen furniture and low-priced bedroom and dining-room furniture. While we feel our product is the best in its price class, and will be able to hold its own under increasingly competitive conditions, the outlook for the industry as a whole is not so optimistic. If the market is not already saturated, it cannot be very far from it. The day is gone when we could sit back and just take orders; now we must get out and sell.

"Furniture manufacturers in this area raised prices following the wage increase granted recently. This price increase will probably result in a slight reduction in the volume of orders".

Rubber Products

(14) "In common with other rubber companies, we find the passenger-car tire market saturated. Heavy-duty bus, truck, and tractor tires are still in demand, especially tires for tractors being exported. Replacement demand for these types of tires should begin to appear toward the end of 1948, and should hold production at current levels. No reduction in output is planned for the balance of 1948. Beyond this date, prospects are less definite, but we see no reason why output should drop."

(15) "Although the market for both truck and passenger tires continues to be very active, production has finally outrun demand and operating schedules will be reduced slightly during the next six months. Over the past two or three years, the excessive demand for tires was mostly the result of completely depleted dealer inventories. However, in the first half of this year, all dealer outlets have been able to complete their inventory purchasing so that with all the supply 'pipe lines' filled, there remains only the consumer demand for tires.

"A similar situation applies to rubber footwear, where the market appears to have softened somewhat and dealer inventories are at a fairly high level."

Paper Boxes

(16) "No finished stocks are carried because every order is different. But our customers have reduced their container inventories to a minimum, and are now demanding shipments within extremely close delivery dates.

"In the corrugated box field, in which competition is intense, two days' delivery is insisted upon. In most instances, unless two day delivery dates can be met, purchasers will try elsewhere".

FORECAST OF LABOUR RELATIONS IN CANADA TO DECEMBER 31, 1948

With new agreements successfully negotiated in nearly all of the leading industries throughout Canada, there is little prospect of industry-wide disputes arising during the forecast period. The only unsettled labour relations of national importance are those pertaining to both licensed and unlicensed seamen on ocean-going vessels. No major difficulties are expected to arise in mining, manufacturing, or construction; negotiations in the logging industry have been completed for the most part.

Any forecast of labour relations in Canada must of necessity be based on those industries wherein some form of labour organization has been effected. In the primary industries, these include some sections of logging, fishing and mining, but exclude agriculture and trapping. There is a high degree of labour organization in nearly every phase of manufacturing, as well as in construction and transportation. Workers in trade and service occupations are relatively unorganized.

The following summary includes forecasts of labour relations until December 31, 1948, for each major industry where labour is organized.

Logging

New collective agreements have recently been negotiated with coastal loggers and sawmill workers in British Columbia and it is anticipated that agreements following a similar pattern will be executed soon in the interior. Hence, although there is internal friction in the union concerned, no labour stoppages are anticipated. New agreements have also been negotiated in Northern Ontario. In other parts of Canada, the workers in this industry are not highly organized and no major difficulties are expected.

Fishing

No serious disputes or work stoppages have occurred in the fishing industry this year and no major difficulties during the forecast period are anticipated.

Mining and Smelting

(a) Coal - Collective agreements will remain in effect throughout the forecast period in Nova Scotia, and New Brunswick, Alberta and British Columbia and uninterrupted operations can be expected in these regions. Several small mines in the Edmonton area are affected by a dispute of long standing with no settlement in sight, but these are not

important producers. Some difficulty has arisen recently in Southern Saskatchewan, where a strike was called early in November. Since a conciliation board has been established by the Provincial Government, settlement may be reached before the end of the forecast period.

(b) Metal - Existing collective agreements will remain in effect during the forecast period in the base metal mines of British Columbia and Ontario and no difficulties are expected. A collective agreement at the Sherritt-Gordon Mine, Manitoba, will expire during the forecast period and there is a possibility that the negotiation of a new agreement will be difficult. Labour relations are not good in the gold mining industry of Ontario, but the likelihood of work stoppages in that region has been diminished by the weakening of the local unions through dissension within their ranks.

(c) Other non-metallic - No work stoppages are anticipated.

Manufacturing

(a) Animal foods - Labour relations are settled in all branches of this industry.

(b) Vegetable foods - No labour troubles are anticipated.

(c) Metal products - Agreements have already been negotiated with the three basic steel companies and many agreements have either been signed or are being negotiated with secondary steel producers. For the most part, satisfactory labour relations prevail but work stoppages may occur in some instances.

The serious situation occasioned by the strike at McKinnon Industries Limited, St. Catharines, Ontario, manufacturers of automobile parts, has been alleviated by the recent settlement and no other difficulties are immediately anticipated in this section of the industry.

Negotiations in the electrical goods manufacturing industry may present difficulties in some instances but many of the larger plants have already negotiated new agreements.

(d) Tobacco and liquor - No major stoppages are anticipated.

(e) Leather boots and shoes - No difficulties are expected in this industry.

(f) Fur, other leather, etc. - No difficulties are foreseen.

(g) Textiles and clothing - Labour-management relations in the garment industry in the metropolitan centres are very good. Forecasting is difficult in the textile manufacturing industry but new agreements have already been concluded at many of the larger mills. Some strikes have occurred in the smaller mills and still others are expected before new agreements are successfully negotiated.

(h) Pulp and paper - Labour relations in this industry are good and uninterrupted operations can be confidently expected.

(i) Printing and publishing - Aside from the lengthy strike being waged by the International Typographical Union against the Southam newspapers, which shows no signs of settlement, no other disturbances are likely.

(j) Shipbuilding - In British Columbia, collective agreements at the principal shipyards in the Vancouver area are reported to be in the process of successful re-negotiation. Disputes have arisen in the metal shipyards at Victoria and in the wooden shipyards in the Vancouver-New Westminster area, but there is a good prospect that both of these will be resolved without any stoppage of work. No difficulties are anticipated in the shipyards of Ontario and Quebec. However, in the Maritimes, there is a possibility of a work stoppage at the Halifax shipyards where the collective agreement expires in the near future. A conciliation board is now dealing with a wage dispute at the St. John Dry Dock Co. Ltd. but it is expected an agreement will be reached without strike action.

(k) Chemicals, etc. - No labour difficulties are foreseen.

(l) Rubber products - Agreements with the major Ontario companies have already been negotiated; agreements with Quebec companies will come up for renewal in December, but no difficulties are foreseen at this time.

Construction

Wage increases have been granted recently to building and construction workers in all the principal centres throughout Canada and no major difficulties are anticipated during the forecast period.

Transportation and Public Utilities

(a) Steam railways - Labour relations in this industry are excellent.

(b) Water - There is a strong possibility of strike action by the Canadian Seamen's Union (TLC), representing unlicensed personnel, in the ocean shipping industry during the forecast period. Agreements have already expired and negotiations for renewal are receiving the attention of the conciliation service of the Dominion Department of Labour. The contracts between the deepsea operators and three organizations representing licensed personnel have also expired and it is not yet clear whether they will be successfully re-negotiated.

In British Columbia coastal shipping, agreements covering both licensed and unlicensed personnel also will expire during the forecast period. There is a fair prospect that all agreements will be re-negotiated successfully, although substantial wage increases and improved working conditions will be requested.

Some difficulties may arise in the re-negotiation of agreements affecting employees of British Columbia towboat companies; in fact, these are already receiving the attention of the Department of Labour.

Deepsea and coastwise longshoremen in British Columbia have recently received wage increases. Agreements of a similar nature are anticipated on the Atlantic coast and no labour-management difficulties are expected to arise.

(c) Electric railways and bus lines - There is a possibility that difficulties may arise during the forecast period in Montreal and in Saskatchewan. A strike has already been called in New Brunswick. Elsewhere in Canada, no difficulties are anticipated.

(d) Trucking - Some difficulties may be experienced at Moose Jaw and at Winnipeg but these will be local in effect.

(e) Elevators and storage plants - With settlement of a wage dispute involving the employees of all grain elevator companies at the Head of the Lakes, the only other dispute foreseen is at the Alberta Wheat Pool at Vancouver, and there is a good prospect that a peaceful settlement will be reached.

(f) Air - The dispute between Trans-Canada Air Lines and its domestic and trans-oceanic pilots has not yet been settled but it is not expected to develop into strike action.

(g) Telegraphs and telephones - No major stoppages are anticipated.

(h) Electricity and gas - No labour troubles are foreseen.

RECENT WAGE CHANGES

During the latter part of September and the month of October, approximately 47,000 persons were affected by the wage changes indicated in the following pages. Of these, 86 per cent of the hourly paid workers registered a gain of 10 cents or more per hour. The outstanding increase was that awarded the 27,000 woodworkers in the Coastal Area of British Columbia.

Foremost among the wage changes which occurred during the latter part of September and the month of October⁽¹⁾ were those accorded woodworkers in the camps and kindred manufacturing establishments in the Coastal Area of British Columbia. The increase of 13 cents an hour or 11 per cent, whichever is the greater, was made retroactive for 75 days. The gain sets the basic minimum hourly rate paid at \$1.08 which is among the highest in the basic industries of Canada. Actual increases total almost 15 cents an hour when the increase from shift differentials and other boosts are taken into consideration. Some categories benefited by as much as 25 cents an hour. The union had been carrying on active negotiations for a 35 cent an hour increase since April. In 1947, the same group asked for 20 cents an hour "across the board" and finally settled for 12½ cents.

Three Conciliation Boards have been sitting on behalf of the British Columbia Interior woodworkers who are asking the same conditions as those won in the Coastal Area. It has been recommended that they be awarded a 9 per cent increase and 5 cents an hour differential for all shift work, all of which is to be retroactive to September 1. The union wants any gains to date back to July 12.

A September gain of 13½ cents an hour was won by the Machinists; Pipe Fitting; Sheet Metal and Painters and Decorators lodges on behalf of their members at Burrard Dry Dock and Pacific Drydock, Ltd. No mention of this is made in the table of increases as the exact number of workers affected is not known.

Some 3,900 persons, workers in six firms, pressed their demands by strike action. Of the total number, approximately 2,600 striking workers were at the automobile parts plant, McKinnon Industries Ltd., St. Catharines. The workers struck for 26 cents an hour, an amount which would bring their wages in line with those being paid in the remainder of the industry, but settled after a 15-week strike for hourly increases ranging from 13 to 15 cents. Three furniture firms in Quebec Province received wage increases after an 8-week strike while a fourth firm is

(1) The information on wage changes was obtained mostly from the press announcements, reports from National Employment Service offices, and the Employment Forecast Survey. The average hourly earnings quoted in the following tables are as at August 1, 1948, as published by the Dominion Bureau of Statistics.

still on strike.

Already the policy-making committees of several large groups of workers are formulating their demands to be negotiated at the signing of their 1949-1950 agreements. The Western coal workers, represented by the United Mine Workers, Local 18, will hold a meeting November 15. Their present agreement expires February 16, 1949. Three mines in the Edmonton area, employing some 50 persons, have not yet signed a 1948 agreement and have been on strike since January 13, 1948. The demands of Maritime coal miners have been set at \$2.59 per day which would bring their earnings to the level paid in the western section of the industry. Six local unions, representing approximately 3,500 workers in the rubber industry in the province of Quebec, presented their demands for a 15 cent an hour increase. These workers received 10 cents in 1948 and 13 cents in 1947.

Mr. C.M. Millard, at a press conference held early in October, stated that the United Steelworkers of America (CIO) had decided not to state its 1949 goal in dollars and cents at this time because of the rising cost of living. However, in the spring, they will strive for elimination of wage differentials between steel plants across the Dominion, an "adequate" basic pension plan applicable throughout the industry, an unspecified minimum annual wage, and equal pay for men and women doing the same work. The policy set by the union is of great importance since it has influenced the demands of a large part of Canadian labour in the past.

At this date, there are five outstanding groups negotiating. At Trenton Steel Works and Eastern Car Co., both subsidiaries of the Dominion Steel and Coal Corp., the company feels that it is unable to pay the 19½ cent hourly increase recommended by a Conciliation Board. A similar situation exists at 15 local wooden shipbuilding yards on the British Columbia coast where operators have turned down a majority award recommending a 12½ per cent wage increase. Both groups have announced that a strike vote would be taken.

Conciliation Boards have been appointed to investigate the workers' demands at the Halifax Dockyard and to settle the dispute of deep-sea ship operators on the Pacific and Atlantic coasts. The alleged Communist leadership of the C.S.U. is complicating the issues in the latter case. The progress of negotiations on behalf of British Columbia woodworkers was mentioned earlier in this report.

RECENT ANNOUNCEMENTS OF WAGE INCREASES (CONT'D)

Industry	Av. Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
Electrical Apparatus	98.3	Phillips Electrical Works Dominion Electrical Protection Co.	Brockville, Ont. London, Ont. Montreal, P.Q. Hamilton, Ont. Toronto, Ont.	6½¢ 7¢ " " "	Apr. 11/48 Sept. 24/48 Sept. 26/48 Oct. 31/48 "	800 10 70 10 80
Crude, Rolled & Forged Products	110.2	Electro-Metallurgical Co. of Canada Ltd.	Welland, Ont.	12¢	Oct. 13/48	1,400
Agricultural Implements	110.6	Forano Ltd.	Plessisville, P.Q.	8%	Sept. 20/48	290
Automobiles and Parts	115.4	McQuay-Norris Mfg. Co. of Can. Ford Motor Co. Office Staff McKinnon Industries Ltd.	Toronto, Ont. Windsor, Ont. St. Catharines, Ont.	13% (2) 12-15¢	June 1/48 June 16/48 Oct. 31/48	65 750 2,590
Iron & Steel Fabrication	100.2	Page-Hersey Tubes Ltd. Western Bridge & Steel Fabricators Ltd.	Welland, Ont. Vancouver, B.C.	18¢ 12½¢	Oct. 20/48 Oct. 23/48	1,100 400
Hardware Tools & Cutlery	92.2	Peterborough Lock Mfg. Co. Welland Vale Mfg. Co.	Peterborough, Ont. St. Catharines, Ont.	11¢ 10¢	Sept. 30/48 Oct. 8/48	215 200
Foundry & Machine Shop Products	102.3	12 Vancouver Foundries	Vancouver, B.C.	10-15¢	Oct. 22/48	450
Sheet Metal Work	94.6	American Can Co. Ltd. Lakehead Sheet Metal Workers Ass'n.	Vancouver, B.C. Port Arthur, Ont.	13¢ 25¢	Aug. 1/48 Oct. 1/48	400 65
Brass & Copper Mfg.	96.8	Copper Wire Products Ltd.	Guelph, Ont.	5¢	Aug. 1/48	120
Non-metallic Mineral Products	110.6	Philip Carey Co. Ltd.	Lennoxville, P.Q.	10¢	Aug. 23/48	210
Miscellaneous	80.6	Ronson Art Metal Works (Can.) Ltd.	Toronto, Ont.	8-13¢	Sept. 13/48	225
CONSTRUCTION						
Building	101.7	Carpenters Labourers, Jack hammer & Breakman, Powdermen etc. Electricians & Helpers	Ottawa, Ont. Vancouver, B.C. Saint John, N.B. " Windsor, Ont. "	5¢ 15¢ 15¢ 5¢ 15¢ 50¢	Oct. 4/48 Sept. 23/48 Oct. 1/48 " Oct. 28/48 "	625 825 470 - 565 125
TRADE						
		Shragge Metals Ltd., Mid-Town Motor Sales Ltd. Mechanics	Winnipeg, Man. Montreal, P.Q.	10¢ 8¢	Sept. 1/48 (3)	40 100

(2) \$15 to \$20 per month

(3) 6¢ retroactive Sept. 1/48 and 2¢ retroactive Oct. 1/48.

RECENT ANNOUNCEMENTS OF WAGE INCREASES

Industry	Avg. Hr. Earnings	Firm	Location	Amt. Per. Hr.	Date Effective	Workers Affected
LOGGING	¢	Loggers in Coastal Area	British Columbia	(1)	July 15/48	11,000
MANUFACTURING	92.8					
Meat Products	94.1	Western Refrigeration Co.	St. Boniface, Man.	9.6%	Oct. 8/48	15
Leather Products	70.5	8 Pocketbook Manufacturers	Montreal, P.Q.	10%	Oct. 30/48	400
Rough & Dressed Lumber	86.1	Goderich Mfg. Co. Sawmills in Coastal Area	Goderich, Ont. British Columbia	5¢ (1)	Oct. 12/48 July 15/48	35 16,000
Furniture	79.9	Victoriaville Furniture Ltd. Victoriaville Specialties Ltd. J.W. Kilgour & Bros.	Victoriaville, P.Q. " Beauharnois, P.Q. Coaticook, P.Q.	20¢ " " "	Oct. 6/48 " Oct. 7/48 "	250 150 260 165
Flour & other Milled Products	88.4	Purity Flour Mills Ogilvie Flour Mills	Goderich, Ont. Winnipeg, Man.	5¢ 7¢	July 1/48 Oct. 6/48	150 280
Paper Products	81.7	Atlas Paper Box Co. King Paper Box Co. City Paper Box Co.	Montreal, P.Q. " "	15% " "	June 1/48 " Oct. 23/48	45 155 55
Printing and Publishing	102.3	Job Printers with Typographical Union, Local 91	Toronto, Ont.	10¢	Oct. 12/48	1,330
Cotton Yarn and Cloth	74.3	Trent Cottons Ltd. Cosmos Imperial Mills Hamilton Cottons Ltd.	Trenton, Ont. Hamilton, Ont. "	10-26¢ " "	Aug. 1/48 " "	230 330 630
Woollen Yarn and Cloth	72.4	Shefford Woollens Ltd.	Granby, P.Q.	10¢	Oct. 12/48	75
Silk & Artificial Silk Goods	79.8	Riverside Silk Mills British American Silk Mills Granby Textiles Ltd.	Galt, Ont. Granby, P.Q. "	5-15¢ 11¢ "	Oct. 1/48 Sept. 25/48 "	225 100 50
Garments and Personal Furn.	71.2	Quebec Ass'n Garment Manufacturers Inc. Kitchen Overall & Shirt Co.	Quebec, Victoria-ville, Farnham & Sherbrooke, P.Q. Simcoe, Ont. Brantford, Ont.	7½¢ 10¢ "	June 1/48 Oct. 1/48 "	2,000 30 180
Clay, Glass and Stone Products	91.9	Industrial Filler Co. Frontenac Floor & Wall Tile Co.	Montreal, P.Q. Kingston, Ont.	25¢ 9¢	Sept. 22/48 Oct. 13/48	20 170
Glass Products	89.3	Silix Co. Ltd.	St. Johns, P.Q.	10%	Sept. 15/48	45
Lime, Gypsum & Cement Products	90.4	B.C. Cement Co. Ltd.	Victoria, B.C.	10¢	Oct. 1/48	200

(1) Loggers and Sawmill workers received an increase of 11% or 13¢ per hr., whichever was the greater. Logging camp locomotive engineers received an additional 10¢ per hour and other crew members 5¢.

CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

The total number of workers affected by lay-offs during October amounted to approximately 3,077, a decrease of 46 per cent from the number reported in the previous month. Dollar conservation, production changes and other causes accounted for 45 per cent of the lay-offs this month; many of these were in the aircraft and railway transportation industries. Seasonal lay-offs accounted for 22 per cent and material shortages for 21 per cent.

With weather conditions remaining favourable, industrial activity continued at a high level during October, and the number of lay-offs reported showed a considerable decline. The number affected amounted to only 3,077, a decrease of 46 per cent from the previous month's figure of 5,680.⁽¹⁾

The majority of lay-offs in October 45 per cent of the total were due to causes other than seasonal, and shortages of orders or materials. Production changes and dollar conservation were the chief of those. Shut-downs of seasonal industries accounted for 22 per cent; material shortages for 21 per cent and shortages of orders for 12 per cent.

In Quebec a large number of aircraft employees have been laid off by the British Government, in line with their policy of dollar conservation. Henceforth, all aircraft maintenance formerly carried out there will be done overseas. A total of 400 railway transportation workers have been laid off due to changes in production schedules. While power shortages continue to threaten many industries, the number of workers laid off for this reason remains small.

Seasonal inactivity was responsible for a total of 683 lay-offs. One large iron and steel manufacturer released 300 of their outdoor workers. Paper manufacturers have also begun to release workers as their stockpiles dwindle.

Material shortages were particularly noticeable in the automobile industry, where a prolonged strike in industries supplying castings, made necessary a temporary lay-off affecting 375 employees. However, a settlement of this strike has been effected. Steel shortages, while not serious as yet, have been the cause of several minor work stoppages. Electrical manufacturers have been forced to suspend operations on one production line for this reason.

(1) Statistical data on lay-offs have been computed from information obtained from National Employment Service office reports. The information is not necessarily complete, but does include data on all major lay-offs.

Table I--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Cause.

Cause of Lay-off	August, 1948		September, 1948		October, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders.....	1,653	46.5	768	13.5	368	11.9
Shortage of Materials...	816	23.0	2,359	41.5	630	20.5
Seasonal.....	134	3.8	2,089	36.8	683	22.2
Other Causes.....	951	26.7	464	8.2	1,396	45.4
Total.....	3,554	100.0	5,680	100.0	3,077	100.0

Table 2--Lay-offs Reported by National Employment Service Offices in Manufacturing Industries, by Industry.

Industry	August, 1948		September, 1948		October, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages	220	6.2	86	1.5	12	0.4
Tobacco Products.....	5	0.1	-	-	-	-
Rubber Products.....	960	27.0	-	-	-	-
Leather Products.....	13	0.4	-	-	120	3.9
Textile Products.....	705	19.8	241	4.2	156	5.1
Clothing.....	45	1.3	35	0.6	-	-
Wood Products.....	212	6.0	1,476	26.0	270	8.8
Paper Products.....	122	3.4	458	8.1	315	10.2
Printing and Publishing.	-	-	105	1.8	-	-
Iron and Steel.....	130	3.7	119	2.1	528	17.2
Transportation Equipment	780	21.9	3,021	53.2	1,413	45.9
Non-Ferrous Metals.....	120	3.4	74	1.3	33	1.1
Electrical Apparatus....	101	2.8	15	0.3	100	3.2
Non-Metallic Mineral Products.....	41	1.2	50	0.9	30	1.0
Chemical Products.....	60	1.7	-	-	90	2.9
Miscellaneous.....	40	1.1	-	-	10	0.3
Total.....	3,554	100.0	5,680	100.0	3,077	100.0

REGIONAL ANALYSIS

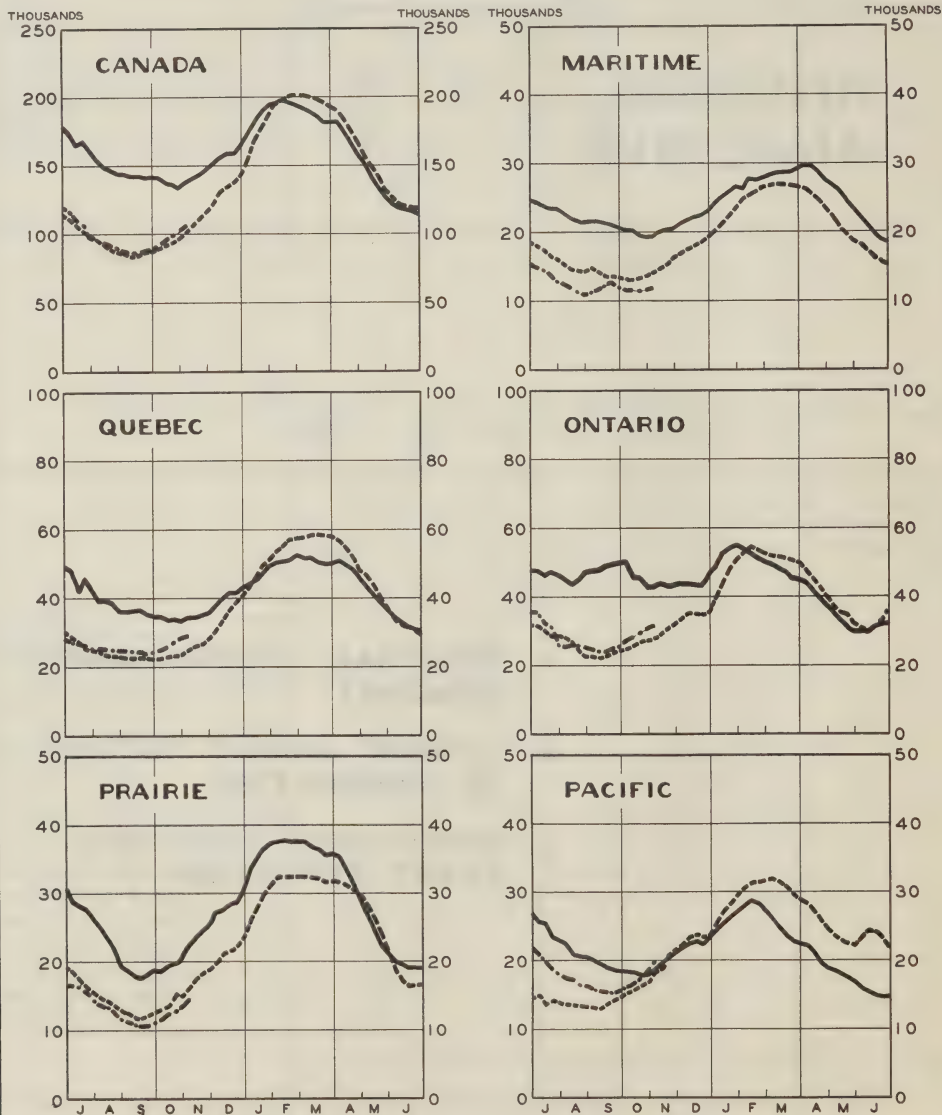
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PLANT EXPANSION

REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

— JULY 1946 - JULY 1947
 - - - JULY 1947 - JULY 1948
 . . . JULY 1948 TO DATE



REGIONAL LABOUR MARKET SUMMARY

During October, unplaced applicants increased in all regions except the Maritimes, where an extensive construction program sustained employment. Logging expansion dominated labour market activity, but did not absorb its usual number of workers, especially in Quebec. Both steel and hydro shortages have restricted labour demand in Ontario and Quebec. Workers still moved into the Pacific region, although it will be a labour surplus area for the next few months.

THE MARITIMES -

The outstanding development for this region during October was a decline in unplaced applicants at a time when all other regions were reporting substantial increases. Fall employment conditions were approaching stability as the seasonal shifts from agriculture into lumbering and fishing neared completion. But comments on the future outlook sounded a rare note of optimism.

Unplaced applicants decreased from 11,970 at the end of September to 11,290 at October 28. Last year the total was 13,440. The improvement since then has been due partly to industrial expansion as shortages of key materials eased, and partly to migration of workers into Quebec and Ontario.

Lumbering has been expanding, but in several areas demands for woodsmen will exceed the supply until root crops are harvested and more men become available. The lumber market is still uncertain and at present the cut is almost entirely for domestic use. Pulpwood cutting has been steady.

It has been a good fishing season. Fish processing firms have worked at capacity to supply the rapidly improving market especially in the U.S.

Full hydro-electric power again became available in New Brunswick areas and manufacturing plants returned to their usual schedules. The boot and shoe industry has maintained peak production for a long time, but at present the future looks doubtful. Steel production continues at capacity.

Construction in all areas shows no signs of slackening. Firms are working at top speed to complete outdoor work before winter. Full employment for skilled tradesmen is indicated for another two years.

The coming season looks brighter than usual, as far as employment is concerned. Waterfront activity should add up to one of the best winters in peace time, according to all indications. Shipments of grain, meat, eggs and bacon will account for a large part of the export traffic. Several shipping companies have announced new sailings.

The Christmas tree industry will have a busy season as U.S. orders are large. An aircraft plant is opening in Halifax and will employ two hundred men. Dairy cattle are being sold increasingly in U.S. markets; many dairy firms claim that wage competition with other industries

is too great. This may aggravate the domestic shortage of dairy products. There is speculation that fur ranching may return as a major industry in the near future, since European demand for long-haired fur is increasing. Expansion of Nova Scotia's Hand Craft program is forecast; these products find a ready sale, and trained instructors are needed in order to enlarge the training facilities now operating.

QUEBEC -

The seasonal change-overs were largely completed during October and industries buckled down to winter production. As employment became harder to find, labour turnover decreased markedly and this, in turn, cut down labour demand.

Power shortages have been limited to mining areas so far, but slow-downs face other industries unless the water level rises. The supply of hydro power to Ontario has been further curtailed.

Seasonal workers left agriculture and the usual upswing in logging employment began. Logging expansion is normally the major support of winter seasonal employment. However, cutting operations this season will be reduced after Christmas because of heavy log inventories at the mills, and less woodsmen are required. The failure of logging to absorb its usual quota of displaced summer workers is reflected in the level of unplaced applicants. These totalled 18,920 at October 28—some 4,000 higher than at the end of September, and 5,000 higher than one year ago.

In mining the labour situation has changed altogether, and currently demand is only for first-class miners. This abrupt change from the acute shortages reported formerly was due to the quieter employment situation in the bush, which has made workers available for mining. The stumbling block to mining placements has always been the high physical standard demanded by the nature of work. Over 70 per cent of applicants fail to pass the medical examination, which proves that not merely a lack of applicants has created the previous shortage of labour. The hydro situation may soon be critical in several mining areas, and power reductions have been in force.

In manufacturing, employment is high but labour demand has been chiefly for skilled workers. Some employers are obtaining specialized craftsmen through the National Employment Service Office in London, England, when none are available in this country. Lack of skilled workers still restricts textile production particularly. The steel shortage shows no improvement, and continues to hold up heavy industry and construction.

ONTARIO -

Shortages of hydro power and steel have seriously cut down labour demand in this region, with the result that unplaced applicants have increased more sharply than usual. However, the unusually high level of activity in construction has somewhat offset the slack situation in manufacturing, and has prevented conditions from being worse.

Actual lay-offs as a result of the hydro shortage have not been serious—the chief results have been adjustment and reduction in hours worked, with consequent difficulties concerning overtime and take-home pay. And, as stated above, hiring has stopped entirely in some areas,

which increases the problem of displaced seasonal workers. The steel shortage has produced the same results but lay-offs may become more serious if steel deliveries do not improve.

Skilled men are still needed, however, in the textiles, wood-working and leather industries, and clearance orders have been placed in Quebec and Great Britain. Most manufacturing industries not affected by hydro or steel troubles are in full production. Employment is high in most industrial areas and should remain so for some time--any large labour surpluses are due chiefly to the fact that workers have moved into certain centres from other parts of the region and the Dominion, and cannot always be absorbed.

Preparations for model changes in the automobile industry will bring large lay-offs for the next two months.

The two-year farm contracts of Polish veterans end this month but, at present, it is difficult to say how many will remain in agriculture. Logging employment is expanding and labour supply is no problem this year since cutting quotas are lower.

Uranium finds in the Sault Ste. Marie area have created some excitement. Expansion in gold mining has been restricted by uncertainty as to power supply.

THE PRAIRIES -

The balance between labour supply and demand at the end of October was closer in the Prairies than in the other regions. There were 10,950 unfilled vacancies and 13,320 unplaced applicants at October 28. Construction, mining and transportation were all very active, and logging camps were filling up rapidly.

Many farm workers have been migrating into urban centres in search of winter jobs in other industries, but many will probably return to agriculture when construction and other fall activity slackens.

The pulpwood cut for this season will probably be about 30 per cent lower than last year's because of provincial export restrictions and large mill stockpiles. Already, employment has almost reached the level necessary for the season's operations.

Mining labour demand has been satisfied by ex-harvesters. Gold mining activity will expand with an important new find, and base metal claims have been taken up by Noranda interests. Coal mining output has been hindered by strikes and box car shortages, but is now getting back to capacity. Oil well exploration continues.

Meat packing plants have been operating steadily. The usual large-scale hirings at peak activity may not appear this fall since U.S. buyers have been active in cattle markets, and Canadian consumers' resistance to high prices would affect domestic demand. Flour mills have been forced to curtail production until export markets improve.

All skilled construction tradesmen are still working, and indications for steady winter employment are good.

BRITISH COLUMBIA -

Employment is settling gradually into the usual fall pattern and the labour surplus is mounting steadily. Prairie workers continued to trek into British Columbia during October in search of winter employment. Any marked employment activity, however, was concentrated chiefly in logging and mining.

The logging vacancies for semi-skilled and unskilled workers were filled rapidly during the last few weeks, many by the migratory workers, and all areas now report a surplus. Disputes affecting several hundred men arose over board rates. More serious was the jurisdictional dispute which developed between the International Woodworkers of America and the newly-formed and as yet unconstitutional Woodworkers' Industrial Union; only sporadic outbreaks and general unrest have resulted so far. Log production and inventories are so high that some reduction of operations may be necessary.

Base metal production and employment have been expanding as new plants reached completion. The metal bonus paid in this industry has attracted workers away from gold mining. Further projects are scheduled for construction since a strong market in base metals is indicated for the next few years; greater development of base metal operations will add valuably to the regional economy and employment. Uranium finds have been reported in large numbers.

Mexican authorities are making arrangements to allow coast fishermen to fish this winter in Mexican waters. If the scheme goes through, the problem of fishermen in the local labour market will be much lighter during the winter months.

Port activity was very high in October, partly because of the longshoremen's strike at certain U.S. west coast ports. Heavy wheat shipments will help to sustain this level in the coming season.

Construction employment slackened only slightly and a good volume of work should continue throughout the winter.

The situation in manufacturing compared unfavourably with the activity in primary industries. There was a surplus of every type of skill, and no major improvement will occur for several months. Wage disputes in the process of conciliation involved about 700 workers in the packing house, foundry and machine shop industries.

More married women are seriously interested in finding temporary or part time employment, but even if they have had good working experience employers are usually reluctant to hire them.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unemployed applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at November 1, 1946, at October 1, 1948, and at November 1, 1947.

This classification is based on a ratio of unemployed applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

- Group I—Areas in which there are more than 300 unemployed applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.
- Group II—Areas in which there are between 150 and 300 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.
- Group III—Areas in which there are from 50 to 150 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.
- Group IV—Areas in which there are under 50 unemployed applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for October and November of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio November 1, 1948	Group Rating		
		November 1, 1948	October 1, 1948	November 1, 1947
<u>Population of 100,000 and over</u>				
Quebec.....	76	III	III	III
Vancouver.....	61	III	III	III
Windsor.....	54	III	IV	III
Victoria.....	46	IV	IV	IV
Ottawa.....	32	IV	IV	III
Calgary.....	32	IV	IV	IV
Winnipeg.....	30	IV	IV	IV
Hamilton.....	29	IV	IV	IV
Edmonton.....	19	IV	IV	IV
Toronto.....	16	IV	IV	IV
Montreal.....	14	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	111	III	III	III
Halifax.....	58	III	III	III
Saint John.....	53	III	III	III
London.....	27	IV	IV	IV
Fort William - Port Arthur...	24	IV	IV	IV
Regina.....	19	IV	IV	IV
Kitchener-Waterloo.....	6	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	73	III	IV	IV
Hull.....	72	III	III	III
Oshawa.....	58	III	III	III
Sherbrooke.....	54	III	IV	IV
St. Catharines.....	52	III	IV	IV
Shawinigan Falls.....	48	IV	IV	III
Three Rivers.....	38	IV	IV	IV
Kingston.....	37	IV	IV	IV
Saskatoon.....	29	IV	IV	IV
Brantford.....	27	IV	IV	IV
Peterborough.....	24	IV	IV	IV
Sault Ste. Marie.....	18	IV	IV	IV
Sudbury.....	18	IV	IV	IV
<u>Population of under 25,000</u>				
Sorel.....	103	III	IV	IV
Valleyfield.....	90	III	III	III
Pictou-New Glasgow.....	72	III	III	III
Amherst.....	49	IV	IV	III
Welland.....	49	IV	IV	IV
Niagara Falls.....	20	IV	IV	IV
Trail.....	17	IV	IV	IV

EMPLOYMENT EFFECTS OF PLANT EXPANSION

The proposed expansion of the Canadian iron and steel industry highlighted recent news regarding future industrial expansion in this country. Some indication of the current expansion of Canadian industries is given by the \$4.4 million value of contracts awarded for industrial construction during the month of October. Numerous British firms now establishing branch plants in Canada are for the most part using available plant facilities rather than embarking on new building programs.

The value of contracts awarded for industrial construction in the first ten months of 1948 was \$58.8 million compared to \$101 million in 1947. In October of this year the value of contracts awarded dropped by some \$20 million from that of the same month last year.

Proposed expansion of the Canadian steel industry has been closely followed by an announcement that the Dominion Steel and Coal Company is studying plans for some expansion of their Sydney, N.S., steel works. In addition, the discovery of a very large body of titanium ore, about 400 miles north of Quebec city has been followed by an announcement that a large titanium refinery will be built in Sorel, Quebec, to be completed late in 1950. This Canadian company, a subsidiary of the Kennecott Copper Corporation of the United States will be called the Quebec Iron and Titanium Corporation of Canada, Ltd. It is too early yet to ascertain the number of new workers which will be required.

In the October table, Dow Chemical of Canada, Limited is listed as building a new plant at Sarnia, Ontario, which will hire an additional 30 workers by the first quarter of 1949. The first unit was completed in July, 1947, and 150 workers were hired by July, 1948. An additional thirty workers on completion of the last unit in 1949 will mean a total employment of 180.

All information in the accompanying table has been confirmed by direct contact with the companies concerned. The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION

Area	Industry and Name of Company	Type of Expansion (1)	Number of New Employees	Probable Time of Commencement of Production
Buckingham, P.Q.	Chemicals Electric Reduction Company of Canada, Ltd.	N.P.'s	10 17	4'th Qtr./48 1'st Qtr./49
Montreal, East. P.Q.	Non-ferrous Metals Canadian Copper Refiners Ltd.	P.E.	70	3'rd Qtr./49
Montreal, P.Q.	Food and Beverages Canada Dry Ginger Ale Ltd.	P.E.	15	1'st Qtr/49
Montreal, P.Q.	Iron and Steel Products Geo. R. Prowse Range Co. Ltd.	P.E.	25	1'st Qtr/49
Quebec, P.Q.	Chemicals Liquid Carbonic Canadian Corporation Ltd.	N.P.	15	2'nd Qtr/48
Shawinigan Falls, P.Q.	Chemicals Canadian Resins and Chemicals Ltd.	N.P.	30	4'th Qtr./48
Belleville, Ont.	Non-Metallic Mineral Products Canada Cement Company Ltd.	P.E.	30	2'nd Qtr./49
Guelph, Ont.	Iron and Steel Products The Callander Foundry and Manufacturing Co. Ltd.	P.E.	50	4'th Qtr./49
Hamilton, Ont.	Chemicals Canadian Industries Ltd.	N.P.	10	3'th Qtr./48
St. Catharines, Ont.	Food and Beverages Ontario Grape Growers' Co-operative Ltd.	N.P.	35	4'th Qtr./48
Sarnia, Ont.	Chemicals Dow Chemical of Canada, Ltd.	N.P.	30	1'st Qtr./49
Welland, Ont.	Iron and Steel Products Page-Hersey Tubes Ltd.	N.P.	100	4'th Qtr./49

(1) N.P.—New Plant; P.E.—Plant Expansion; P.F.—Present Facilities.

A N A D I A N

LABOUR MARKET

DEPARTMENT OF LABOUR,
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STATISTICS
CANADIAN LABOUR MARKET
Research and Statistics Branch
Department of Labour

authorized by
Hon. Humphrey Mitchell, Minister
and
Arthur MacNamara, C.M.G., L.L.D., Deputy Minister

The purpose of this monthly report is to provide analyses of conditions in the Canadian labour market on a national, industrial and regional basis. It must be stressed that the contents of the report are confidential and for the sole use of responsible government officials. Public information concerning labour matters is provided in the Labour Gazette, the official organ of the Department of Labour.

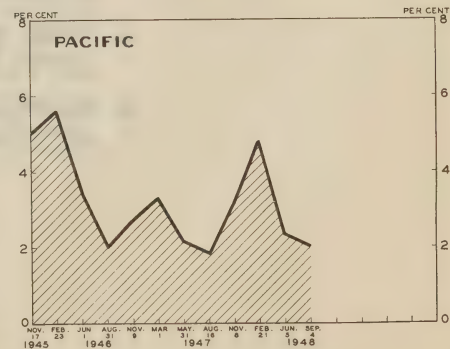
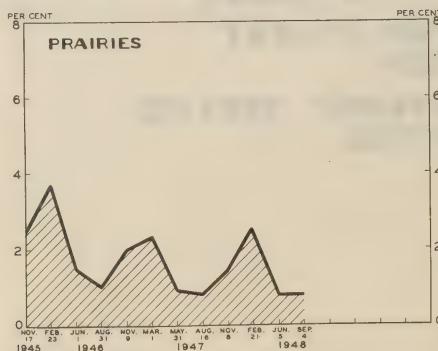
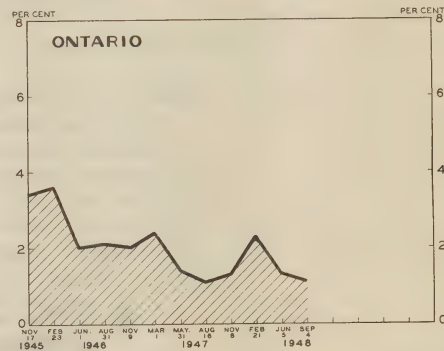
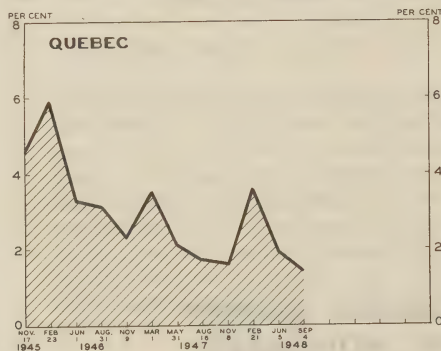
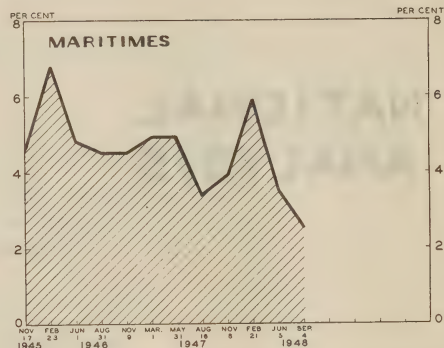
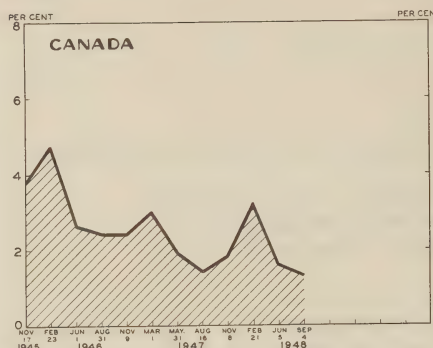
NATIONAL ANALYSIS

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UNEMPLOYMENT IN CANADA AND REGIONS

AS PERCENTAGE OF LABOUR FORCE

1945 - 1948



THE LABOUR MARKET DURING NOVEMBER

Employment conditions in almost all areas of Canada underwent a further slackening during November and early December. This year the customary seasonal slump has been aggravated by the lower employment levels in most logging camps and by the lay-offs that have occurred in a number of manufacturing industries due to relatively poor market conditions both at home and abroad. Production, and consequently, hiring has also been affected by shortages of steel and hydro. The latter, however, had eased considerably by early December.

Total employment in Canada is currently about two per cent higher than in 1947, and about 40 per cent higher than in 1939. During the past year, the expansion has been primarily concentrated in the non-agricultural industries in the country. Accordingly, employment gains have been greatest in the central regions, Ontario and Quebec, and in British Columbia where a great deal of industrial expansion is occurring.

At this time of the year, however, employment is seasonally declining. In agriculture, for instance, employment drops from about 1,250,000 in the harvest season to about 950,000 by the following February. Significant employment declines also occur during the winter months in construction, transportation, and many trading, service, and manufacturing fields. On the other hand, employment picks up during these months in logging, trapping, and mining.

This year, the usual seasonal lull is being aggravated by a number of developments. Employment levels in most logging camps are considerably lower than last year, and cutting operations, which constitute the major portion of winter woods work, are expected to be complete by the end of the year. Lay-offs have occurred in a number of manufacturing industries due to relatively poor domestic market conditions as well as to ineffective foreign markets as a result of the international exchange difficulties. In addition, hiring activity has slowed down considerably due to the continuing uncertainty surrounding the power shortage and to a growing tendency on the part of many businessmen to be very cautious in making staff additions, or even staff replacements, for fear of an early decline in the selling prices of their products.

In the Maritimes, unplaced applicants amounted to 4.5 per cent of the civilian labour force at the first of December. This was an improvement over last year when the comparable percentage was 4.8. Total

unemployment in this region is also less than last year. Increased construction activity, sustained shipbuilding employment, greater port activity due to heavy movements of grain, more ship repair work as a result of the increased shipping, and the temporary impetus provided by the shipping tie-up along the Eastern U.S. coast, are all important factors in this improved employment situation. On the other hand, logging employment in the Maritimes is much lower this winter than last due to the continued uncertainty regarding the British market.

In Quebec, unplaced applicants amounted to 3.4 per cent of the regional labour force at the first of December. This compares unfavourably with last year when the percentage was 2.7 at the same time. Up to the first of September however, employment conditions in this region had shown an improvement over those of 1947. The recent reversal has been primarily due to the substantially fewer jobs in logging camps in Quebec this year. As a result, many seasonal workers, whose jobs terminated during October and November, have not been able to find alternative winter work. Here, too, the hydro-electric power shortages have slowed hiring activity until next Spring.

In Ontario, unplaced applicants amounted to 2.5 per cent of the regional labour force at the first of December. This is only slightly above the comparable percentage of 2.3 in 1947. Total unemployment in Ontario in 1948 has also been at the same level as in 1947. The ability of the economy of this region to absorb relatively severe disturbances, such as the recent reduction in logging employment and the recent hydro-electric power shortage, without too great an effect on its employment situation is demonstrated by the above figures.

In the Prairie region, unplaced applicants amounted to 3.9 per cent of the regional labour force at the first of December. Again, this is almost the same as the comparable percentage of 3.8 in 1947. Total unemployment, too, has been at about the same level in 1948 as last year. In this region, agricultural workers constitute about 50 per cent of the total labour force as compared with 25 per cent in the country as a whole. Many of these farm workers are transient and thus when employment conditions become seasonally adverse they seek jobs in the woods and in the cities not only in the Prairies but also in other regions.

In the Pacific region, unplaced applicants amounted to 6.9 per cent of the regional labour force at the first of December. This compares unfavourably with last year when the percentage was 5.7. Throughout 1948, total unemployment in this region has been consistently above that of 1947. The softening of the lumber market has reduced considerably sawmill operations. In addition, a steady migration of workers to British Columbia has continued throughout the year, and is especially pronounced at present.

SELECTED LABOUR MARKET TRENDS

Indicator	Latest Data		Percentage Change		
	Month	Amount	Previous Month	Same Month Last Year	To Date This Year From Same Period of Last Year
Immigration.....	Sept.	12,000	+ 8.3	+ 64.2	+127.8
Civilian Labour Force.....	Sept. 4	5,109,000	-	+ 0.6	+ 1.8
Total Employment.....	Sept. 4	5,042,000	-	+ 0.7	+ 1.8
Total Unemployment.....	Sept. 4	67,000	-	- 8.2	-
Industrial Employment (a).	Oct. 1	2,187,000	+ 0.7	+ 4.6	+ 5.4
Unplaced Applicants (b)...	Dec. 1	130,000	+27.2	+ 11.1	+ 1.6
Live Claims.....	Nov. 1	55,000	+23.7	+ 31.2	+ 24.6
Labour Income.....	Sept.	\$651,000,000	+ 7.8	+ 21.5	+ 15.0
Average Weekly Earnings(c)	Oct. 1	\$40.68	+ 4.4	+ 13.2	+ 13.3
Average Hourly Earnings(c)	Oct. 1	\$.95	+ 1.3	+ 13.4	+ 14.1
Real Weekly Earnings (d) Av. 1946 - 100.....	Oct. 1	104.3	+ 4.1	+ 0.8	- 1.8
Average Weekly Hours (c)...	Oct. 1	43.0	+ 3.1	- 0.2	- 0.7
Cost of Living Av. 1935-39 - 100.....	Nov. 1	159.6	-	+ 11.1	+ 14.9
Man-Working Days Lost by Strikes.....	Nov.	16,000	-81.7	- 86.6	- 63.0
Industrial Production Av. 1935-39 - 100.....	Oct.	187.4	+ 1.8	+ 4.3	+ 3.4

(a) Based on firms of 15 or more workers, in the nine leading industries.

(b) Registered with National Employment Service offices.

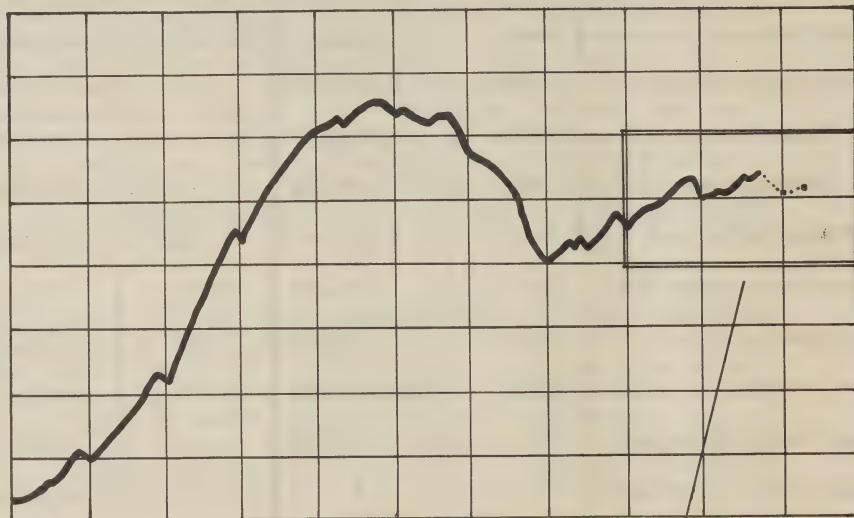
(c) Wage earners in manufacturing only.

(d) Per capita weekly earnings of wage earners in manufacturing, adjusted for the cost of living.

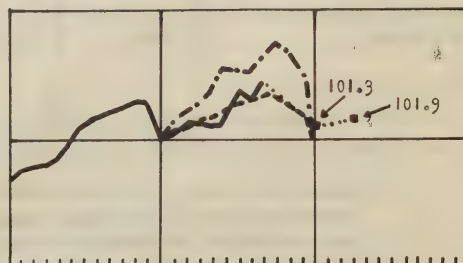
EMPLOYMENT TRENDS OF MANUFACTURING INDUSTRIES 1939 - 1949

ACTUAL AND FORECAST

BASE: JAN. 1948 = 100



— D.B.S. Indices
For Manufacturing
 - - - Seasonal Trend
1940-45
 - . - . - Seasonal Trend
1936-41
 ■ Forecast Employment



THE EMPLOYMENT OUTLOOK

Employment forecasts for January 1 and April 1, 1949, indicate an extension of the high level of employment recorded in 1948. Though there will be a seasonal slump in certain industries during the first quarter of 1949, the deseasonalized trend of most industrial groups is still slightly upwards. Nevertheless, the rate of growth as measured by the year-to-year change in employment is showing signs of levelling off.

A noticeable feature of anticipated employment trends for the early part of 1949 is the declining rate of growth which is generally foreseen. Various factors are operating to slacken the rate of employment expansion. In the first place, there has been a drop in the domestic market for such products as paint, radios, household furniture, footwear, etc.; moreover, dwindling export markets have curtailed operations in flour mills, sawmills, shipbuilding and certain other industries. In other cases, although there has been no overall drop in demand, increased production resulting from expanded capacity and new machinery, has intensified competition and has compelled some employers to reduce staff. In a number of plants, employment is expected to be reduced, or at least the expansion rate checked, because the installation of new equipment has permitted them to turn out more goods with less labour. In a few other cases, such as vehicles and machinery building, the shortage of steel and import restrictions are preventing any great expansion.

However, despite signs of weakness in certain industries, on the whole, the prospects for the first half of 1949 are for a high level of economic activity. Prosperity will be upheld by a vast domestic capital investment programme, a record level of national income, a strong domestic market and an extensive foreign demand.

Manufacturing Industries

Employment in manufacturing is still moving upwards but at a greatly reduced rate.

An analysis of the direct forecast of about 650 establishments in manufacturing industries, involving about 40 per cent of the working force, indicates that employment at January 1, 1949, and April 1, 1949, will be 1.3 and 0.8 per cent respectively above that of the corresponding dates a year earlier. These percentage increases compare with increases of 4.6 and 3.1 per cent in 1948 over 1947, at the same dates. From April 1, 1946, to April 1, 1947, manufacturing employment increased by 5.9 per cent.

In absolute figures, the April 1, 1949, forecast represents an increase of 10,800 workers over April 1, 1948; 53,100 over April 1, 1947, and 97,285 over April 1, 1946.

TABLE I--EMPLOYMENT FORECAST
January 1, 1948 = 100

(Source: Employment Forecast Survey, Fourth Report, 1948)

Selected Industries	Actual Employment Apr.1,1948	Forecast Employment	
		Jan.1,1949 (Index)	Apr. 1,1949 (Index)
<u>MANUFACTURING INDUSTRIES</u>	1,054,645	101.3	101.9
Food (other than Flour Mills).....	88,798	102.3	94.8
Clothing (excluding Rubber).....	116,739	100.0	105.6
Beverages.....	17,925	107.5	104.8
Flour and Feed Mills.....	6,065	101.2	98.0
Primary Textiles.....	66,457	104.8	106.2
Pulp and Paper.....	48,475	98.8	99.2
Containers.....	27,398	94.3	95.4
Household Furniture and Electrical Goods....	88,153	96.5	95.9
Vehicles (automobiles and parts excluding rubber tires).....	45,553	98.2	100.5
Rubber.....	23,735	88.7	89.9
Machinery Building.....	93,826	102.0	103.1
Integrated Steel.....	61,386	104.6	105.2
Agricultural Implements.....	23,421	111.0	112.0
Chemicals.....	20,437	106.9	110.0
Non-Ferrous Metal Products.....	49,525	102.8	103.8
Construction Materials.....	60,602	102.2	104.0
Petroleum Products.....	9,221	102.7	102.7
Sawmills.....	45,755	103.6	102.0
Aircraft.....	9,136	119.4	134.3 ⁽¹⁾
Shipbuilding.....	22,919	81.4	76.9
Electric Power.....	28,003	114.6	119.8
<u>PRIMARY INDUSTRIES</u>			
<u>Logging</u>			
Manitoba and East (Pulpwood).....	13,683	84.0	23.6
British Columbia.....	14,689	101.8	108.1
<u>Mining</u>			
Coal - Canada.....	23,686	103.7	103.3
Nova Scotia.....	13,296	107.1	106.3
Alberta & British Columbia.....	9,304	100.9	99.9
Metal.....	41,060	104.4	105.9
Non-metallic.....	14,568	105.9	111.4
<u>MISCELLANEOUS INDUSTRIES</u>			
<u>Communications</u>			
Telephones.....	37,476	105.4	107.9
<u>Retail Trade</u>			
Department Stores.....	58,277	100.0	88.0

(1) The high index for April 1, 1949 is due to the increased contracts obtained by Canadair, Ltd.

The following summary table sets forth the year-to-year comparisons and the forecast for employment in the various subdivisions of manufacturing.

Table II—Employment in Manufacturing Industries

Source: Employment Forecast Survey, Fourth Report, 1948

Industry Group	Actual Employment(1)		Forecast Employment April 1, 1949	Percentage Change	
	April 1, 1947	April 1, 1948		Apr. 1/47 to Apr. 1/48	Apr. 1/48 to Apr. 1/49
Consumer Non-Durables Ancillary to Consumer Non-Durables.....	309,813	311,909	316,000	+ 0.7	+ 1.3
Consumer Durables...	145,508	148,388	148,900	+ 2.0	+ 0.3
Producers' Goods.....	149,968	154,601	151,100	+ 3.1	- 2.3
Electric Power.....	393,609	411,697	415,900	+ 4.6	+ 1.0
	23,715	28,003	32,000	+18.1	+14.3
Manufacturing(2)....	1,023,221	1,054,645	1,063,500	+ 3.1	+ 0.8

(1) Source: D.B.S. employment statistics of establishments employing 15 or more persons.

(2) Manufacturing figures are not the totals of sub-groups as there have been certain minor omissions from sub-groups.

Consumer Non-Durable Finished Goods Industries

Employment in this group of industries is expected to attain 316,000 by April 1, 1949, an increase of 4,091 or 1.3 per cent above the same date a year previous. The beverage industry is expected to show the greatest gain in employment between April 1, 1948, and April 1, 1949, followed by tobacco, printing, food and drugs. Clothing and non-finished textiles is the only industry in this group which actually expects to drop in employment by April 1, 1949, from its 1948 level at the same date.

Food—Employment in this industry is holding up well, although no further substantial growth is expected. The April 1, 1949 forecast of 90,700 represents an increase of 1,902 workers or 2.1 per cent above the same date in 1948.

Clothing—Employment in the clothing industry during the first quarter of 1949 is expected to remain at the same level as the like period in 1948. The following factors have been given by employers in explanation of the expected stabilization of employment in the industry: consumer resistance to high prices in certain cases; the shortage of suitable labour in some areas; the shortage and high costs of raw materials, and, a hesitancy on the part of buyers to forward buying.

Beverages—This is an industry in which the expansion rate is holding up well. The demand for beverages appears to be well maintained, since it is related to the general level of business activity, but on account of the new capacity created, and the resulting increased production, some employers report keener competition. The forecast for April 1, 1949 represents an increase of 1,575 workers or 8.8 per cent above the corresponding level a year earlier. A moderate seasonal drop is expected from January 1 to April 1, 1949.

Industries Ancillary to Consumer Non-Durable Finished Goods

The April 1, 1949 forecast anticipates that total employment in this group will be only 0.3 per cent or 512 higher than one year previous. Except for the primary textile industry, which shows continued expansion in employment at a moderate rate, the forecast trend for the component industries in this group, namely primary to food (flour milling), primary to printing (pulp and paper), and containers, is one of stabilization at a level slightly below that of the corresponding date in 1948.

Primary to Food (Flour Milling)—This industry expects very little change in employment within the forecast period from the comparable levels in 1948. The January 1, 1949 forecast represents an increase of 1.2 per cent, and the April 1, 1949 forecast a decrease of 1.1 per cent, as compared with levels of employment at the corresponding dates in 1948. This year's wheat crop, which was better than last year's, will help the raw material situation of the industry which had deteriorated in early 1948 as a result of the poor 1947 crop. Domestic demand for flour remains high. However, there has been a decided softening in foreign demand for Canadian flour because of the dollar shortage.

Primary to Clothing—Employment in this industry is expected to continue expanding during the forecast period, although the rate of growth is expected to fall off as compared with the first quarter of 1948. The April 1, 1949 forecast envisages employment of 67,900, an increase of 1,443 or 2.2 per cent above the same date a year earlier. This expansion in employment is forecast by the artificial silk and cotton sectors of the industry. Canadian primary cotton textile producers are enjoying an excellent domestic market because of the import restrictions on cotton materials and clothing from the United States, and because of the inability of the United Kingdom to compete with Canadian cotton on a price basis. The country's artificial silk producers cannot supply the Canadian demand. The majority of the plants still supply their customers by quota and have backlogs of orders indicating capacity production through 1949. A different situation is reported in the woollen and worsted sector of the primary to clothing industry. In this case, Canadian producers report sharp competition from the United Kingdom producers as well as a softening of demand for woollen fabrics by the men's and boys' clothing trade.

Primary to Printing (Pulp and Paper)—In general, the pulp and paper industry continues to thrive, although the supply is catching up with demand in certain sections. Some executives fear that a weakness

may develop in the export market for pulp, and there is already an adequate supply of fine paper. However, the demand for newsprint is far greater than supply and shows no signs of diminishing in the very near future. The rate of cyclical growth, which was quite rapid during 1946 and 1947, slowed up considerably in 1948 and, by the forecast dates January 1 and April 1, 1949, is expected to be reversed into decreases of 1.2 and 1.4 per cent respectively below the corresponding 1948 dates.

Containers—Because of high inventories, the demand for containers was noticeably weak in the spring and summer of 1948. Now that these inventories have greatly disappeared and that orders for containers are no longer for the purpose of building up inventory but related to the level of business in the container-using industries, an improvement in the demand is being experienced and is expected to be continued in the forecast period. However, this change in inventory policy is expected to bring about a return to the pre-war seasonal pattern of employment in the industry. The forecasts for January 1 and April 1, 1949, show a drop of 5.7 and 0.7 per cent, respectively, below the corresponding levels a year earlier.

Consumer Durable Goods Industries

This group of industries expects an overall drop in employment in 1949 as compared with 1948. An anticipated reduction in demand for household furniture and rubber products is the cause of the expected decline in employment. The April 1, 1949, forecast for the group as a whole shows a decrease of 3,501 workers or 2.3 per cent from the same date in 1948.

Household Furniture and Electrical Goods—In spite of being hampered by material shortages and a slackening of demand, this group of industries is expected to maintain a relatively high level of employment in 1949. However, peak employment in this industry was reached in the last quarter of 1947 and in the first quarter of 1948. Material shortages are affecting operations, mainly in the electrical goods division of the industry. A softening in demand has been experienced in the domestic market for wooden furniture and radios. The April 1, 1949 forecast of 84,700 represents a year-to-year decrease of 3.9 per cent in employment.

Vehicles (Automobile and Parts)—Continued employment at approximately the present level is forecast for the first quarter of 1949. Prospects of the industry for 1949 are foreshadowed by anticipated further tightening in the supply of steel, due chiefly to American and Canadian defense projects, and to the exceedingly high domestic demand for motor vehicles. The decline in automobile exports in 1948 has had little effect on the industry, because of the magnitude of its Canadian demand. The April 1, 1949 forecast envisages an employment level of 46,400, 1.8 per cent above the corresponding level a year earlier.

Rubber—Due to exhaustion of the post-war backlog demand for passenger car tires and some other products, employment in this industry has been falling since last February, and its decline is expected to

continue for a few months longer. However, production and employment will remain at a high level by pre-war standards. The present large output of motor vehicles, continuation of a large volume of exports, and the unprecedented level of national income, will maintain a high replacement demand for rubber products. The employment forecast for April 1, 1949 shows a drop of 1,835 workers or 7.7 per cent from the level at the same date in 1948.

Producer Goods Industries

The forecast for April 1, 1949, for this group indicates an increase in employment of 1 per cent over the corresponding date one year previously. The forecast indicates a drop in the rate of expansion in the overall employment in the producer goods industry group as well as in most of the individual industries making up the group. However, sawmills and shipbuilding are the only industries which anticipate an actual drop in employment in 1949 as compared with 1948. Machinery building, petroleum products, and aircraft are the only industries in the group which expect the expansion rate in 1949 over 1948 to exceed that recorded in 1948 over 1947. The aircraft industry is expecting the highest rate of expansion of all industries in the group, mainly as a result of major contracts obtained by one company from a British aviation firm.

Machinery Building--Employment in this industry has shown an upward trend for the last two years and this trend is expected to continue during the forecast period. The April 1, 1949 forecast of 96,400 represents an increase of 2.7 per cent on the year-to-year comparison basis. The domestic demand for machinery is sufficient to keep most plants working at capacity, and will probably continue so, due to the large investment programme forecast for Canada for 1949. Export markets are weaker in some cases due to the dollar shortage overseas. However, the lack of steel, restrictions on imports of American-made parts, and shortages of skilled workers are the chief handicaps in this industry.

Integrated Steel--Employment forecasts for January 1 and April 1, 1949 indicate that expansion in this industry is expected to taper off, at least from a short term point of view. What expansion will take place within the more distant future to meet Canada's growing and critical need for steel is unknown at this moment. The April 1, 1949 forecast of 62,400 represents an increase of 1,014 workers or 1.6 per cent above the employment level of a year earlier.

Agricultural Producers' Goods--The strong upward trend in this industry, apparent since 1947 and due almost entirely to plant expansion by farm implement companies, appears to be slackening. The forecast for April 1, 1949 shows that employment is expected to reach 24,100 by that date, an increase of 2.9 per cent above the corresponding 1948 figure, as compared with the 14.0 percentage increase recorded in early 1948 over 1947. However, exports of tractors and combines, particularly to the United States, together with the change to power-drawn implements by Canadian farmers, is expected to be sufficient to maintain the current rate of output during 1949 at least.

Chemicals—The upward trend of employment in the chemical industry is expected to continue during the next six months, although the rate of growth will be lower. The April 1, 1949 employment forecast of 21,500 represents a year-to-year increase of 5.2 per cent. Demand for chemicals on the whole continues strong, due partly to persistent demands from export markets, especially for fertilizers, and partly to the flourishing condition of such Canadian industries as pulp and paper, base metal mining and agriculture.

Non-Ferrous Metal Products—Employment is expected to continue its upward trend under the influence of a very heavy world demand for non-ferrous metals. As many as 50,500 men will be employed by April 1, 1949, an increase of 2.0 per cent above the level of the corresponding date in 1948. This is an industry which does not suffer seriously from a shortage of raw materials, except for some secondary producers who import parts from the United States. Nevertheless, the shortage of electric power has been a major production handicap and will probably continue to be a factor during the next six months.

Construction Materials—Employment in this industry has been following an upward trend since the end of the war. It reached its peak in May, 1948. A year-to-year increase of 1.2 per cent is forecast for April 1 next, bringing employment up to 61,300. Although a state of market equilibrium is being approached in certain types of building materials such as asphalt tile, roofing products, paint, etc.; in other lines with a high metal content such as plumbing supplies, structural steel, and nails, and cement, the supply is still lagging far behind demand.

Petroleum—Employment in this industry has been following a moderate upward trend since the end of the war, the rate of growth running from 1.5 per cent to 4 per cent over the same date the year previous. The expected trend of employment in this industry is upward, as reflected by the 3.0 per cent year-to-year increase forecast for April 1, 1949. Demand for various types of petroleum products remains exceptionally strong, with no softening in the market situation expected during the forecast period.

Sawmills—The rapid growth of employment, which was in progress during 1946 and 1947 in this industry, was checked in the second half of 1948. As a result, the April 1, 1949 forecast anticipates a year-to-year decline of 1.7 per cent as compared with the percentage increase of 9.1 per cent which was registered at the same date in 1948 over 1947. The market situation holds the key to the future of Canadian sawmills. Domestic demand remains very firm but foreign demand, particularly British, has fallen off sharply. A number of other countries have also reduced their imports of Canadian lumber as a result of the dollar shortage. Increased exports to the United States, however, have offset reduced demand from other countries to a small extent.

Aircraft—The apparent resurgence of the Canadian aircraft industry following a period of post-war contraction is largely due to

estimated increases in the production of the country's two largest manufacturers. Employment in other plants in the industry is static or decreasing. A year-to-year increase of 37.9 per cent is forecast for April 1, 1949, which will bring employment to 12,600. Increased activity in the two major plants is mainly due to contracts for civilian planes. There is no indication as yet of Canadian aircraft firms obtaining re-armament contracts such as those that have given an impetus to the American aircraft industry.

Shipbuilding—Employment in the shipbuilding industry has been declining steadily since 1946 as a result of contracting markets. The outlook at this time is for an acceleration of this downward movement in 1949. Only one major firm has contracts on hand to warrant a high level of production through 1949. The April 1, 1949 forecast of 17,000 represents a percentage decrease of 25.8 per cent below the corresponding 1948 level. The chief factors affecting future production in this industry is a lack of foreign contracts and the steel shortage. Some firms are hesitant to enter contracts, even if offered, because of the very tight steel situation.

Electric Power

The outlook for this industry is one of continuing expansion in employment. Employment is expected to reach 32,000 by April, 1949, an increase of 14.3 per cent above the same date a year earlier. No let-up in either industrial or domestic demand for electric power is apparent.

Primary Industries

The majority of the primary industries in Canada are expected to show an upward trend of employment in 1949 as compared to 1948. However, in view of foreign market conditions the immediate future of the logging industry is uncertain.

Logging

Pulpwood Logging (Manitoba and East)—In view of heavy inventories of cut logs, many pulp and paper operators have revised their previous estimates of employment for 1948 and 1949 cutting season. The employment pattern will be similar to that for 1947-1948 but on a lower level. The January 1, 1948 forecast represents a decrease of 16 per cent and the April 1, 1949 forecast a decrease of 1.3 per cent, in comparison with the same dates in 1948.

The supply of labour for 1948-1949 woodlands operations is expected to be adequate. In some areas, operators are turning away applicants who do not measure up to the highest standards.

Logging (British Columbia)—Forecasts for logging operations in British Columbia indicate an increase in employment of 1.8 per cent at January 1, 1949 over January 1, 1948, and of 15.7 per cent at April 1,

1949 over April 1, 1948. Since the date the forecasts were made, however, the British Columbia logging and lumber industry has received a severe blow. The 1949 lumber order from the United Kingdom is only half of what had been expected and is restricted to very high grades. British Columbia forest industries will be forced to find new markets and, if the search is unsuccessful, lower employment in the logging industry in that area may be expected.

Coal Mining—The coal mining industry has evidently recovered from the work stoppages of early 1947. Forecasts of employment for 1949 are slightly above actual figures for 1948, January 1 being 3.7 per cent and April 1, 7.2 per cent higher. Several Alberta mines report a shortage of skilled miners, but the supply of all categories of labour for Maritime coal mines is adequate. In British Columbia, although unskilled labour is more plentiful than in past years, there is still a shortage of certificated miners.

Metal Mining—World-wide demand and high prices for base metals are expected to mean increased employment in the metal mining industry. Forecasts indicate employment at January 1, 1949 will be up 4.4 per cent over January 1, 1948, and at April 1, 1949 will be up 3 per cent over April 1, 1948. Extension of established mines, development of new mines, and prospecting work for new ore deposits, will contribute to the increase. Mining executives report a shortage of labour for underground operations but, to some extent, this has been relieved by immigration of displaced persons.

Non-Metallic Mining—Employment in most sections of non-metallic mining is relatively stable, but the recent development of Western oil fields has greatly expanded this branch of Canada's extraction industry. The rate of increase in employment in the industry is not as sharp as a year ago but, nevertheless, is still substantial. The rate of increase, 1949 over 1948, is 5.9 per cent at January 1 and 7 per cent at April 1.

Communications

Telephones—Employment in this industry has been following an upward cyclical trend since the end of the war. The employment forecasts for January 1 and April 1, 1949 indicate a continuing cyclical rise in employment above the corresponding dates in 1948, though a falling off in the rate of growth is expected. The April 1, 1949 forecast of 40,000 represents an increase of 6.7 per cent above employment a year before. Both the short term and long term prospects of the industry appear favourable.

Retail Trade

Department Stores and Mail Order Houses—While the volume of retail business in 1948, measured in terms of dollars, is being maintained at a much higher level than in 1947, the physical volume is down slightly when adjustment is made for price increases. The marked upward trend in employment, which characterized this industry in the post-war period, is expected to level off in the first quarter of 1949. The employment forecast for January 1, 1949, represents no change from the same date a year earlier, while the April 1, 1949, forecast of 59,000 represents an increase of only 0.4 per cent above the same date in 1948. On the whole, business is expected to continue on a high level in this industry, although buyers are becoming more selective and more emphasis will have to be given to selling in 1949. + 0.4 %

EMPLOYMENT SERVICE ACTIVITIES

Large numbers of seasonal workers were thrown into the labour market during November. Some 35,000 men and 3,400 women were added to the number unplaced at employment offices, bringing the total to 140,000 at the end of November. Reduced logging activity this year appears to be responsible to a great extent for the 17,000 increase over the total number of unplaced applicants at this time last year. Greater stress is now being placed on the work of the Employer Relations section of the employment offices, both to uncover all possible openings and to deflect from the tendency towards "gate-post" hiring.

In line with the seasonal trend, registrations at employment offices were rapidly increasing in number. The majority of those registering in October and early November had passed through the offices to jobs in logging, mining, construction, and heavy industry. By mid-November, however, most industries had obtained their complement of workers and applications on file were speedily mounting. At December 2, the number unplaced totalled 140,000, indicating a 38,000 increase for the November five-week period.

Persons applying for work during November were largely in the unskilled categories. Mild weather had sustained outdoor activity remarkably well and as a result skilled tradesmen in construction and water and highway transportation were still on the job. Construction labourers, however, were being released since few projects were begun during the month and the earlier stages of construction provides the bulk of work for unskilled help. Many farm workers were still on file; the dearth of logging openings this year had decidedly slowed down the absorption of these workers. Extra gang labourers from railways now being released were also seeking manual work.

Scattered lay-offs occurred in the seasonal segment of some manufacturing industries, particularly food, pulp and paper, and sawmills. Softening market conditions in sawmill operations accentuated the seasonal decline with lay-offs tending to be larger and of longer duration than in 1947. Hydro power shortages caused some lay-offs in Central Canada although workers were being re-hired by early December. Inefficient staff was being weeded out in some establishments and this added to the stream of those entering employment offices.

Jobs suitable for the class of applicant available at employment offices had fallen off markedly. Logging, which usually offers a strong support for winter employment, was operating at a much lower level. During the three heaviest recruiting months for woods work - August, September and October - 22,000 openings were received at employment offices as against 43,000 in the same period in 1947. This had particularly affected the province of Quebec where logging is a very important source of winter employment. Hiring of construction workmen had been falling off since early in November.

The mining industry had satisfied its demands earlier in the season and hiring was now negligible. Manufacturing firms in general were adequately staffed in the unskilled and semi-skilled classifications.

Full employment continues for practically all tradesmen, however. Trained workers who did enter the labour market were usually readily placed. If jobs could not be found locally, the workers were usually quickly placed through clearance. Nevertheless, the easier labour situation had brought about a tightening in employers' specifications for help and some workers, who previously would have fallen into the classification of skilled men, will now be grouped among semi-skilled workers.

Indicative of the easier situation, placements not only dropped off but fewer hirings were of a permanent nature. Placements of more than seven days duration had dropped to 85 per cent of all hirings during October. In August, they had accounted for 88 per cent.

The current situation showed a marked deterioration over that of 1947. Unplaced applicants were already 17,000 higher than in the previous year, with the level reported at the November month-end comparable to that at the end of December, 1947. Unfilled vacancies had fallen to the lowest level in the history of National Employment Service. This statistical picture, however, gives only a limited view of the complete employment situation. Although the seasonal outlook was somewhat cloudy, nevertheless, employment levels were running at higher levels than ever before for the season.

Because of the current need for job-orders, the work of the Employer Relations sections of the Employment Service is of special importance at this time. Developed since the end of the war, the Employer Relations section was created specifically to be the liaison between the Service and employers. All employers orders (excepting Special Placements) are received through this section. A field staff, which visits employers regularly, supplements the contacts by telephone and mail. Visits are timed both to check regularly on employers' needs and to take account of seasonal requirements and emergency demands.

In order to obtain the greatest number of orders, soliciting of jobs is concentrated mainly on the largest employers of labour. As the winter season approaches, seasonally active industries such as transportation companies and municipal offices will be visited regularly in order to obtain orders for snow shovelling and street cleaning work. The progress of industrial projects is being carefully watched in order to uncover potential jobs. This is important at this time of year, particularly, when many new plants are reaching the completion stage.

Demand for workers in itself is still relatively elastic. If a promising worker is available, many employers are willing to hire him although no particular vacancy may exist in the industry. Employer relations officers consequently will endeavour to create vacancies by working back from the applicants registering at the office. Applicants on file and in clearance will be carefully scrutinized by the officers and outstanding applications will be brought to the notice of interested employers.

With competition for jobs increasing, more workers are supplementing their applications at employment offices with a direct approach to employers. The tendency to hire men "at the gate", therefore, is somewhat greater during the seasonally inactive months. To counteract this tendency, employer

relations officials recognize that it is increasingly important at this time to "sell" the Service to employers.

Table 1--Placement Operations of the National Employment Service

(Source: Form UIC 751; Form UIC 755; Form UIC 745)

Series	Average Weekly		
	October 1948	September 1948	October 1947
Applicants for Work X.....	33,000	31,000	32,000
Vacancies Notified.....	25,000	29,000	29,000
Placements.....	15,800	16,700	16,000
Women.....	4,600	4,400	4,400
Veterans.....	2,800	2,800	3,400
Handicapped.....	280	285	270
Executive and Professional.	55	65	60

X Does not include renewals.

INDUSTRIAL ANALYSIS

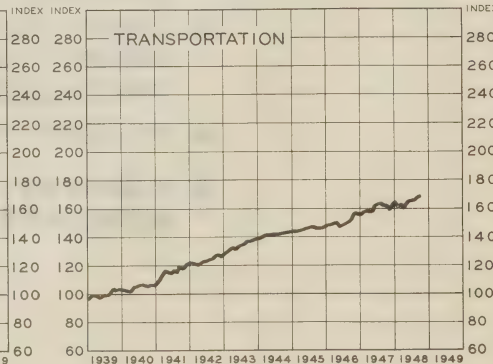
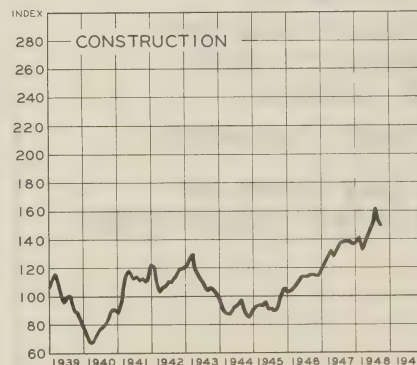
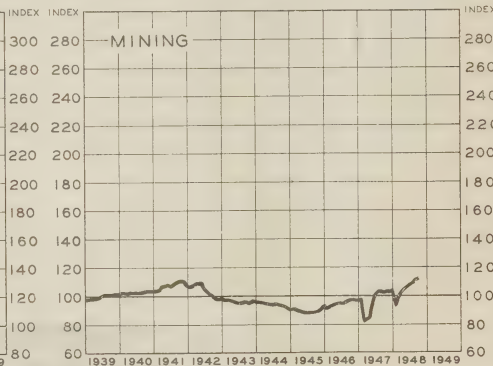
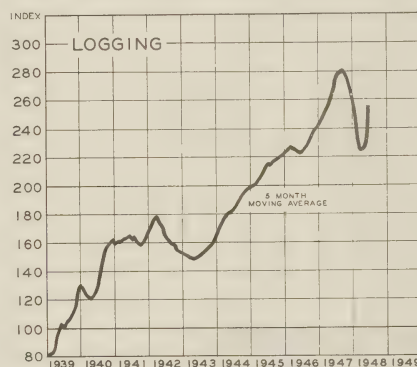
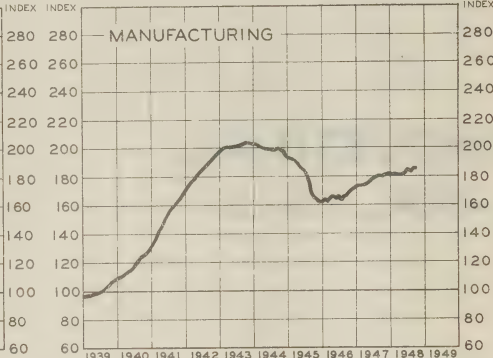
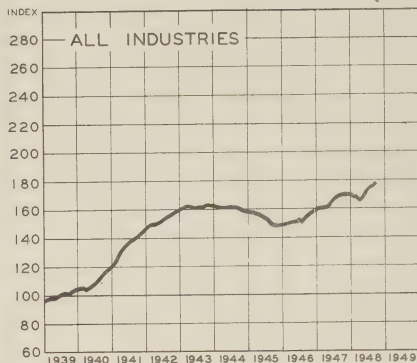
- ▲ INDUSTRIAL LABOUR
MARKET SUMMARY
- ▲ WHAT EXECUTIVES SAY
ABOUT MARKETS FOR
PRODUCER GOODS
- ▲ RECENT WAGE CHANGES
- ▲ CURRENT LAY-OFFS IN
MANUFACTURING INDUSTRIES

EMPLOYMENT TRENDS IN CANADIAN INDUSTRIES

SEASONALLY ADJUSTED

FROM 1939 TO DATE

(AVERAGE 1939 = 100)



INDUSTRIAL LABOUR MARKET SUMMARY

The mild weather which prevailed in most parts of Canada during November had its repercussions on the labour market as outside work in the construction industry extended long past normal. Power shortages continued to interrupt manufacturing production in Ontario during much of the month. In most industries, however, the usual seasonal changes were proceeding. Agricultural activity was fairly well completed. Logging hirings in Eastern Canada have reached their maximum at an unusually early date because of the smaller cut planned this year.

MANUFACTURING—

Estimated employment (November).....1,295,000
Av. weekly earnings (October 1)..... \$42.77

Interruptions in work in Ontario plants due to power shortages featured the labour market in the manufacturing industries during November. While actual lay-offs were apparently few in number and of short duration, many firms were forced to revise working schedules to include week-ends or night shifts. Some firms installed their own generating plants to meet the emergency. The situation was improved considerably, however, by heavy rains at the end of the month.

In spite of power difficulties, employment in the manufacturing industries remained at record heights and during November was estimated at 1,295,000. This was about 4 per cent above 1947 levels.

Among the various sub-groups in the industry the most extensive increases in employment in the past year have been in primary iron and steel, agricultural implements, artificial silk and silk goods, and beverages. Slight decreases were registered in leather, furniture, rubber, automobiles, and steel shipbuilding and repairing.

On the average, weekly earnings have risen over \$4.00 during the past year. In several industries, earnings were at or near the \$50.00 mark at October 1. Included in this group were employees in non-metallic mineral plants (average - \$52.31); automobiles (\$53.65); primary iron and steel (\$51.17) and pulp and paper (\$57.04)

AGRICULTURE—

Estimated employment (Nov.).....1,050,000

During the early part of December, the Dominion-Provincial Farm Labour Conference met in Ottawa to discuss agricultural labour plans for the 1949 season. Generally, the Conference agreed that it will be necessary to supplement the farm labour force by a continuation of the present policies of immigration and by direction of any local labour supplies available into the industry during the harvest period.

During 1948, there was a general shortage of farm labour in all regions but indications were that this shortage was greatly improved towards the end of the season, due in large part to continuous immigration. In 1949, it is expected that many of these immigrants will seek work in industries other than agriculture. The first group of Polish veterans, for example, some 3,000 in number, have completed their two-year contract period. In a survey conducted by the Department of Labour among these men, it was found that 57 per cent of the 1,700 who answered indicated that they intended to remain in agriculture.

On the twin assumptions, therefore, that a considerable part of the immigrant labour force will be lost to agriculture and that the present high level of agricultural production will be continued, the Dominion-Provincial Farm Labour Committee is proceeding with plans to bring in additional people to work on farms. The principal sources are expected to be much the same as in 1948, Dutch and U.K. immigrants, D.P.'s and possibly a few more Polish veterans from the U.K.

One factor, however, which may reduce the extent of farm labour demand is the increasing trend towards mechanization. In the October issue of the Current Review of Agricultural Conditions, released by the Department of Agriculture, a short study was made of this factor. The higher cash and net income of Canadian farmers in recent years, the Review points out, has led to increased purchases of farm machinery. Sales of such items as combines, hay balers, tractors, corn pickers, forage crop harvesters, have increased sharply in the past few years. These have a marked effect on reducing the labour required for certain operations. For instance, the man-hours per ton required for handling hay by a new type baler are estimated at 2.4, as compared with 3.5 for hand loading and 2.5 hours where a hay loader was used; the use of corn picking machines, rather than hand labour, reduces the man hours required by over 50 per cent.

CONSTRUCTION—

Estimated employment (November).....304,000
Av. weekly earnings (October 1)..... \$40.41

The 1948 construction season was drawing to a close during November with another record year, both in volume of work completed and in numbers employed. At the peak, nearly 325,000 were reported as working in the industry and the value of contracts awarded in the first eleven months of the year was \$898 millions, an increase of \$215 millions over the same period in 1947.

Reports received from all regions during November indicated that contractors in all parts of Canada were rushing their jobs to completion and finishing off outside work before the freeze-up. Many projects were being roughed in so interior work could be carried on during the winter months. Highway construction was generally completed before the end of the month. As a consequence, the demand for unskilled labour slackened during the month although skilled workers were still being snapped up when available.

Mild weather permitted the continuation of outside work longer than usual this year, which resulted in a temporary boost in labour demand. The only region reporting adverse weather conditions was B.C., where many jobs had to be delayed because of rain. Colder weather in the Prairies than in Eastern Canada also forced an earlier cessation of activity in that region.

Although the general average of earnings reported by D.B.S. for highway, railway and building construction and maintenance at October 1, 1948 was \$40.41, wage rate statistics indicate skilled labour, at least, was making much more than this amount. The following are estimates of hourly wage rate ranges in the more important construction trades in the larger cities this fall: bricklayers \$1.40 - 1.75; carpenters, \$1.25 - 1.55; electricians, \$1.35 - 1.75; painters, \$1.15 - 1.45; plasterers, \$1.40 - 1.80; plumbers, \$1.11 - 1.60; labourers, (common) .70 - .90; labourers (skilled); .85 - 1.00.

LOGGING---

Estimated employment (November)125,000
Av. weekly earnings (October 1) \$38.84

On the whole, logging operations in Canada this season have been somewhat below the record levels reached in 1947-8. This drop can be attributed chiefly to three factors:

- (1) Large inventories of pulpwood accumulated by heavy cutting in the winter of 1947-8.
- (2) Reduced orders for timber from the U.K. have resulted in less cutting in the Maritimes and Gaspé.
- (3) A break in prices for lower grade lumber, which was felt in B.C. especially.

The following comments received by the Department of Labour from local employment offices highlight some of the current features of the employment situation.

Newcastle, N.B. "A much smaller scale of woods operations is being carried on this year. A few orders are on hand for woodsmen but the demand is much less than that of a year ago. Wages offered in this line approximate that of the 1947-8 season."

La Malbaie, Que. "There is considerable activity in this area, but it will be a short season as the cut will be finished early in January."

Matane, Que. "Both pulp and lumber cutting is going along well and about 5,000 bushworkers are employed here. There are about 500 vacancies but we think that the objective will nevertheless be reached by the extension of the cutting period."

Port Arthur, Ont. "Few opportunities for experienced cutters even. The majority of companies have completed their cut and unless conditions permit hauling soon, quite a few men may be laid off."

Kirkland Lake, Ont. "No actual vacancies, only replacements required. Some camps cannot be reached until the freeze-up."

Fort Frances, Ont. "Operation of saw log camps has been curtailed due to the decrease in the price of jackpine lumber."

Edmonton, Alta. "Few local camps have opened up due to the mild weather and absence of snow."

Prince Rupert, B.C. "Practically no demand for logging labour. No replacements are being made in local camps served by this office. This is presumed to be due to curtailment of activity due to market conditions."

Vancouver, B.C. "Vacancies in the logging industries are rapidly approaching the seasonal low.....holiday shutdowns will commence December 10 and indications are that many intend to remain closed until late March."

MINING ---

Estimated employment (November)67,000
Av. weekly earnings (October 1)\$50.91

Labour demand in the mining industry during the fall of 1948 has been lower than at any time for several years. Although the industry as a whole is working at capacity, most mines report that they are now adequately staffed. This condition is general to all three types of mining, coal, metallic and non-metallic, and in all regions.

Indications are that the mines are becoming more particular, both in regard to labourers and to qualified miners. For beginners and labourers, there exists only a very light demand. In some mines, D. P.'s are supplying the needs for learners so there is no local demand. One or two areas report a lack of qualified and experienced men, but others however, report surpluses of labourers. The labour turnover rate is reported as much lower this year.

The following comments were made by local offices of the National Employment Service:

Minto, N.B. "There is a shortage of good licensed coal miners at the present time who have knowledge as to the working of a handpick mine but plenty of help is available for machine operated mines.....We have a surplus of coal mine labourers."

Rouyn, Que. "No production has been curtailed yet due to power shortage.....Some mines have switched to diesel machines for power.....The shortage of qualified machine men for this district is still being felt."

Timmins, Ont. "It is becoming very difficult to place the mine beginner due to the surplus of men now available.....We have both mine beginners and experienced drillers on our files at present."

Nelson, B.C. "All mines in the area report full crews.....smaller operators have closed for the winter. Many miners and muckers are making personal visits to the various mines throughout the district looking for work."

WHAT EXECUTIVES SAY ABOUT MARKETS FOR PRODUCER GOODS

Opinions of executives in leading firms in many industries are obtained by interviewers of the Employment Forecast Survey at the Research and Statistics Branch. Each month, a selection of these opinions on a single topic of concern to both management and labour will be presented in this section of the Canadian Labour Market. The topic for this month is the state of markets for producers' goods.

Executive opinion, as illustrated in the following quotations, is generally optimistic regarding markets for producer goods. While individual opinions are sometimes subject to bias, it is believed that the statements quoted below are characteristic of executives' thought in the branch of Canadian industry manufacturing producer goods.

In this group of industries, some, such as agricultural producers' goods, depend largely on foreign markets to maintain a profitable level of production; in others, such as petroleum products, the export market is negligible. Industries that base part of their operations on export requirements report that there is a world-wide need for their products but that, in many cases, such need cannot be transformed into active demand because of foreign import controls and currency difficulties. Among those whose exports markets have weakened are machinery builders, who have not benefited to the degree they expected under E.C.A. and are hampered by currency controls, and sawmills, whose United Kingdom market is rapidly shrinking. There is a continuing strong foreign demand for agricultural producers' goods, chemicals, and non-ferrous metals.

Domestic demand remains high for the products of all industries in the group with the exception of aircraft and shipbuilding and some sections of industries producing construction materials and chemicals. Machinery building is supported by domestic demand for railroad stock and hydro-electric equipment, and integrated steel by the high Canadian capital investment program. Domestic demand for agricultural producers' goods is excellent, but is returning to the pre-war seasonal pattern. Weak spots have appeared in the domestic market for some chemicals such as paints and commercial explosives, and in construction materials not containing steel.

Demand continues to exceed supply in many sections of this group of industries. In some cases, this can be attributed to the general shortage of steel which hampers production in steel consuming plants.

MACHINERY BUILDING

- (1) "Our backlog of orders will keep us operating at or near present levels for the next two years.

"The company has now entered into production of diesel locomotives for the railways. The present order is for 50 units, and anticipations are that this type of business will expand over the next few years, as steam engines are gradually being replaced. A substantial volume of orders for hydro-electric water wheel equipment is at present on the books, and the long run prospects for the manufacture of this equipment are very promising. There is no shortage of export orders, but in certain cases foreign exchange difficulties have been encountered. At any rate the company cannot handle all the business available to it."

- (2) "Production and sales in 1948 are approximately equal to those in 1947. The backlog of orders is about the same as at this time in 1947, and will suffice to keep the plant operating at present capacity until June, 1949."
- (3) "We have a very large back-log of orders. Due to inability to obtain eight and ten-inch pipe, we have lost work which we have been doing for years, for the grain elevators. We would like to have this matter brought to the attention of the authorities at Ottawa."

INTEGRATED STEEL

- (4) "The volume of orders for our high-grade ferro alloys has shown an upward trend and it has not been possible to catch up on the back-log. The result is that production must be increased, and that we are at present recruiting labour for this purpose."

AGRICULTURAL PRODUCERS GOODS

- (5) "The Canadian demand for grain separators, milking machines and drills has been met in the sense that they now have to be sold. Canadian demand for tractors and power-drawn implements is still beyond plant capacity. Farmers are shopping around among dealers before buying and are only purchasing implements before their expected use. This is in contrast to the period immediately following the war when farmers purchased implements any time of the year just to have them on hand. Current sales and production are expected to hold for two years at least, although the type of implements produced will vary according to demand."

CHEMICALS AND CHEMICAL PRODUCTS

- (6) "Our sales are mainly to industrial plants and largely on a yearly contract basis. When our contracts are signed, they give some indication of the amount of production our customers hope to do during

the coming year. So far, there have been no signs of weakness in the market for our products.

"In so far as paint sales are concerned, the majority of sales are industrial and consequently the volume of orders remains fairly stable, whereas other manufacturers who supply the consumer market have recently had to curtail operations, because supply has now outrun demand. The company has had to ease up on its promotion of cellophane, as the available supply cannot begin to satisfy the present demand."

- (7) "Demand for sulphuric acid has declined and, to avoid heavy inventories, the second unit started about a year ago has been closed down. We hope this shutdown will be short."

NON-FERROUS METAL PRODUCTS

- (8) "Total sales for 1948 are expected to be well ahead of the 1947 total, continuing the trend of the first six months. Continued residential construction is expected to maintain the level of our sales, which consist chiefly of plumbing equipment and water systems."
- (9) "We are operating at full capacity, and expect to continue so in 1949, although no expansion is contemplated. Export business is practically nil on account of the dollar situation."

CONSTRUCTION MATERIALS

- (10) "Although we anticipate a return to a prewar seasonal pattern of operations in the very near future, nevertheless, we are looking forward to a substantial volume of business in the face of current heavy capital investment in Canada."
- (11) "We lag from 12 to 18 months behind any correction in the market. I believe, speaking for our own company, that we are going through the peak now and that some slackening will occur between now and next March. It won't be an abrupt change and is likely to be slow and rather long drawn out. Our orders and output are 10 per cent above the same period in 1947 but price increases are largely responsible."

PETROLEUM PRODUCTS

- (12) "Demand for our products still exceeds the supply by a considerable margin and production is only limited by plant capacity and the supply of crude oil. We do not anticipate any change in the situation for some time, owing to the fact that expansion is a slow process, involving heavy capital investment."

- (13) "We are operating at the peak permitted by production facilities. The supply of crude oil is anything but excessive and it is touch and go most of the time to keep production units operating at the maximum output."

SAWMILLS

- (14) "The overall picture for the future of the industry appears somewhat cloudy at the present time because of increasing difficulties experienced with export shipments resulting from the foreign exchange situation. Furthermore, we are not receiving the volume of business from the E.R.P. that we had anticipated. We have, however, sufficient business on hand for the balance of the year."
- (15) "The Canadian market is still very strong and we could sell all our production in it. However, we are trying to develop an American market and have been reasonably successful. Shipments to the United Kingdom have practically ceased."

AIRCRAFT

- (16) "Recent orders for aircraft outside of Canada have very materially improved the outlook and have enabled Canadian manufacturers to keep going. There has been no purchase of military aircraft in Canada and domestic and commercial volume cannot maintain aircraft production facilities at reasonable standards of capacity."

SHIPBUILDING

- (17) "The general outlook is not bright on account of costs, mainly from wage rates. This makes the cost of repairs very high and English ships are only getting necessary repairs done here and limp home for major repairs. This has cut repair work down considerably from 1946 and 1947."
- (18) "The Company has no plans for 1949. The French cargo ships and trawlers, on which the plant has been engaged for the past year and a half, will be completed by the end of the year."
- "There are at present no definite prospects of further foreign contracts. If the company is limited to general repair work in 1949, employment in the plant will be less than one third of 1948 figure."

RECENT WAGE CHANGES

The wage increase announcements which appear in the following table were made during the latter part of October and the month of November. Slightly more than 27,000 persons were affected. Of these, 42 per cent received increases of 10 cents or more an hour. The corresponding statistics recorded for October were 47,000 persons and 86 per cent. In November, 25 per cent of the persons receiving increases were in the electrical apparatus industry and 13 per cent in logging.

The present table deals with the period extending through the latter part of October and the month of November. By this time most of the large industries had settled their 1948 contracts; however, some unions had already expressed their intentions to drive for a further round of wage increases during the year of 1949. Apart from the gains accorded the loggers in British Columbia, workers at the Canadian Westinghouse plant at Hamilton and at the Halifax Shipyards, the establishments reporting wage advances during the period under review were relatively small. (1)

Workers at four firms, totalling 1,200 persons, resorted to strike as a means of obtaining their wage demands and, at the present time, another 700 persons are striking in an effort to obtain wage concessions. Principal among the latter group are 2 strikes now in progress in the Province of Saskatchewan; these include government insurance workers, approximately 140 in number, (2) and 330 coal miners. The miners have been awarded 20 cents an hour increase in wages by the conciliation board, but they are standing fast on the demand for an additional three cents a ton payment by the operators to the union welfare fund.

Recently a settlement was reached by the Northern Interior Lumbermen's Association and the Interior Manufacturers' Association with between 3,000 and 4,000 workers who are employed in the logging camps and sawmills of the companies represented. These gains fell far short of the union's original demands and also were considerably less than the increases awarded to workers in the coastal areas (see Canadian Labour Market, October 1948). The president of the I.W.A. district No. 1 has attempted to justify the union's position through the following statement, "Due to the sabotaging of negotiations by the W.I.U.C. in dis-affiliating while negotiations were in progress and the lateness of the year I advised the membership to accept the terms". The new contract provides for an eight cents an hour increase

(1) The information on wage changes was obtained, for the most part, from press announcements and the reports of National Employment Service offices. The average hourly earnings quoted in the accompanying tables are for September 1, 1948 as published by the Dominion Bureau of Statistics.

(2) Strike terminated, December 3, 1948.

on all wages above 89½ cents an hour and a nine per cent increase on all wages below that amount. All provisions were made retroactive to September 1, 1948.

In addition to the wage gains indicated in the table future hourly increases have been provided in certain contracts. Employees at the Canadian Westinghouse Company in Hamilton and at the Brown Boggs Foundry and Machinery Company of the same city are to receive 3 cents an hour on April 1, 1949; the Hoover Company Limited, also of Hamilton is to pay its workers an additional 2 cents an hour at the same date. The wage settlement at the Eastern Furniture Company Limited, located in Victoriaville, Quebec, stated that 4 cents will be paid on May 15, 1949 and another 3 cents on November 15, 1949.

It has been announced by the Hon. Humphrey Mitchell, Minister of Labour, that conciliation efforts on the west coast with respect to the dispute between radio officers and the deep-sea shipping operators have been successful. Similarly, a dispute between the deck and engineering officers of the Canadian West India Steamship Lines was settled. On the East coast, settlement was reached in the dispute between the Merchant Service Guild and the dry-cargo-ship operators. In each of these three cases, no change in wage rates took place, rather, changes were confined to working conditions and holidays.

It is believed in some quarters that this settlement may affect the current dispute between the Canadian Seamen's Union and the deep-sea operators on both coasts. This would be in direct contrast to negotiation proceedings in 1948, when the officers' agreement was patterned on that for unlicensed personnel. During recent negotiations, deep-sea operators countered seamen's demands for wage increases with proposals for a pay cut. The hearings on behalf of sea-men have now been adjourned and will probably not be resumed until early next year.

Among the wage negotiations now underway is the demand of Halifax longshoremen who are asking a general increase of 25 cents an hour on the present hourly rates of \$1.20, \$1.40 or \$1.65, depending on the shift worked. The current agreement expired November 30. The dispute between the Toronto Printing Pressmen's Union (AFL) and the city's major publishing and printing firms reached the conciliation stage, when the union membership turned down a 12½ cent wage increase offer. The union is asking for a basic wage of \$1.60 an hour, an increase of 25 cents over the present rate; last year, the union carried on a five-week strike to win an 18 cent increase. No further progress has been reported in the settlement of the present dispute at the Eastern Car Co. in Trenton and the Trenton Steel Works. A statement was issued by the union saying a strike would be called if the parent company, the Dominion Steel and Coal Corp., persists in its present policy of delay.

During November, the National Conference of the United Textile workers of America (AFL) was held. Mr. R. Kent Rowley, on behalf of some 20,000 textile workers in Quebec, Ontario and the Maritimes said that they will request a substantial increase when renewals come up next year. Also, Mr. Michael Jackson, Director for the Canadian Seamen's Union has stated that his union will demand a master contract covering all lake shipping companies in negotiations for the 1949 season. Other demands include a \$30 monthly wage increase for seamen.

RECENT ANNOUNCEMENTS OF WAGE INCREASES

Industry	Av. Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
MINING	¢					
Metallic Ores	114.0	New Calumet Mines	Shawville, P.Q.	10¢	Nov. 15/48	300
	113.8	Sherritt-Gordon Mines	Sherridon, Man.	15¢	Nov. 10/48	300
LOGGING		Loggers & Sawmill Workers	B. C., Interior Area	8¢	Sept. 1/48	3,500
MANUFACTURING	93.4					
Animal Products & Edible	86.1	Leonard Bros., Div. of National Sea Products, Ltd.	Sydney, N.S.	6¢	Nov. 25/48	175
Rough & Dressed Lumber	87.0	Commonwealth Plywood Co.	Ste. Therese, P.Q.	5¢	Nov. 20/48	390
Furniture	81.6	Eastern Furniture Ltd.	Victoriaville, P.Q.	13¢	Nov. 4/48	330
		McFarlane Gendron Co.	Toronto, Ont.	5-25¢	Nov. 30/48	180
Plant Products Edible	72.2	British Columbia Sugar Refining Co.	Vancouver, B.C.	12-25¢	Aug. 15/48	520
Flour & Other Milled Products	89.7	Purity Flour Mills Ltd.	Winnipeg, Man.	4¢	Nov. 1/48	190
Fruit & Vegetable Preserving	68.3	Canadian Cannery (Western) Ltd.	Vancouver & Lulu Is.	12½¢	Nov. 9/48	260
Bread & Bakery Products	73.8	National Biscuit Co.	Vancouver, B.C.	10¢	Oct. 25/48	145
		Christie, Brown Co.	Winnipeg, Man.	10¢	Oct. 28/48	110
		Charbonneau Ltd.	Montreal, P.Q.	15¢	Oct. 25/48	150
Paper Products	82.2	City Paper Box Co.	Montreal, P.Q.	15¢	Oct. 23/48	55
		Bennett Co. Ltd.	Chambly, P.Q.	5-10¢	Nov. 6/48	270
		Eastern Paper Box Co.	Drummondville P.Q.	5-15¢	Nov. 19/48	45
Woollen Yarn & Cloth	73.2	Downs, Coulter & Co.	Trenton, Ont.	20-24¢	Aug. 17/48	90
Silk & Artificial Silk Products	77.7	Laurentian Silk Mills Ltd.	Cap de la Madeleine, P.Q.	5-35¢	Sept. 6/48	235
Hosiery & Knit Goods	67.7	Knitters Ltd.	Lindsay, Ont.	25¢	Mar. 1/48	70
		Paton Mfg. Co. Ltd.	Sherbrooke, P.Q.	8¢	Nov. 1/48	450
Tobacco	80.7	Benson & Hedges Co. Ltd.	Montreal, P.Q.	6¢	Nov. 1/48	270
Chemicals & Allied Products	93.7	G. F. Stephens Co. Ltd.	Winnipeg, Man.	6¢	Nov. 1/48	20
Electrical Apparatus	102.5	Cdn. Westinghouse Co. Ltd.	Hamilton, Ont.	10¢	Oct. 28/48	5,070
		Hourly Workers		(1)	Nov. 11/48	1,000
		Salaried Workers				
		G.D. Peters & Co.	Montreal, P.Q.	13½¢	Oct. 1/48	55
		R.C.A. Victor Co.	Montreal, P.Q.	9¢	Nov. 10/48	635
		Cabinets Div.	Owen Sound, Ont.	4¢	Dec. 1/48	285
Crude, Rolled & Forged Products	110.2	Romeo Machine Shop	Windsor, Ont.	11¢	Oct. 17/48	25
		Calgary Iron Works Ltd.	Calgary, Alta.	13½¢	Nov. 3/48	60
		Warden King Ltd.	Montreal, P.Q.	6-10¢	Nov. 19/48	600
		Cdn. Blower & Forge Co. Ltd.	Kitchener, Ont.	7½¢	Apr. 1/48	215
				5¢	June 30/48	
		Standard Iron Works Ltd.	Edmonton, Alta.	13.3¢	Nov. 1/48	110
Machinery Other Than Vehicles	97.3	Sherbrooke Machineries Ltd.	Sherbrooke, P.Q.	3-17¢	Apr. 28/48	95
		Hoover Co. Ltd.	Hamilton, Ont.	12¢	Oct. 28/48	260
		Wilson & Cousins Co.	Toronto, Ont.	5¢	Nov. 1/48	60
		Brown Boggs Foundry & Machine Co.	Hamilton, Ont.	10¢	Nov. 7/48	180

(1) Average of \$25 per month.

RECENT ANNOUNCEMENT OF WAGE INCREASES (CONTINUED)

Industry	Avg. Hr. Earnings	Firm	Location	Amt. Per Hr.	Date Effective	Workers Affected
Automobiles & Parts	121.6	British & American Motors Ltd.	Toronto, Ont.	8¢	Sept. 1/48	55
		Motor Coach Industries Ltd.	Winnipeg, Man.	10¢	Oct. 1/48	200
Steel Shipbuilding & Repairing	101.7	Halifax Shipyard Ltd.	Halifax & Dartmouth N.S.	4¢	Nov. 1/48	1,380
Iron & Steel Fabrication	101.0	Johnson Wire Works	Montreal, P.Q.	10¢	Oct. 1/48	210
		Riverside Iron Works Ltd.	Calgary Alta.	12-17¢	Nov. 10/48	140
		Dominion Bridge Co. Ltd.	"	"	"	160
		Canadian Forge Co. Ltd.	Montreal, P.Q.	5-7¢	Nov. 1/48	25
		A. Faustin Ltd.	"	"	"	30
		Montreal Forge Co. Ltd.	"	"	"	45
		A & S Architectural Iron Works	"	"	"	30
		Montreal Architectural Iron Works	"	"	"	45
		Moore & Bros. Ltd.	"	"	"	20
		Vulcar Steel Co. Ltd.	"	"	"	25
		Canadian Welding Works Ltd.	"	"	"	30
		Montreal Metalworking Products	"	"	"	15
		Other Ornamental Iron & Bronze Firms in the Montreal Area (under CAA)	"	"	"	230
Foundry & Machine Shop Products	101.9	Richards Engineering Co.	Vancouver, B.C.	13¢	Oct. 27/48	20
		12 Vancouver Foundries	Vancouver, B.C.	10%	Nov. 1/48	450
Hardware, Tools & Cutlery	92.5	Torrington Co. Ltd.	Bedford, P.Q.	7½¢	Nov. 27/48	500
Sheet Metal Work	95.5	Robertson-Irwin Ltd.	Hamilton, Ont.	12¢	Nov. 9/48	220
Brass & Copper Mfg.	97.6	Anaconda American Brass Co.	New Toronto, Ont.	5¢	Nov. 7/48	1,110
		Britannia Mining & Smelting Co.	Britannia Beach, B.C.	(2)	Oct. 21/48	700
Petroleum & Its Products	120.8	British American Oil Co.	Clarkson, Ont.	8-11¢	July 26/48	465
TRANSPORTATION						
Local	95.9	Saskatchewan Transportation Co.	Regina, Sask.	3-8¢	Jan. 1/48	170
		Binks Express Co. Drivers	Toronto, Montreal, Hamilton, Winnipeg	15¢	Nov. 16	150
Water		12-Coast Towboat Co's	Vancouver, B.C.	(3)	July 1/48	600
CONSTRUCTION						
Building	102.8	Plumbers & Steamfitters	Hamilton, Ont.	18¢	Oct. 1/48	225
		Carpenters	Victoria, B.C.	7½¢	Nov. 13/48	600
		Plumbers & Steamfitters	Sarnia, Ont.	12%	Nov. 1/48	235
COMMUNICATION		Canadian Broadcasting Corp.	Canada	(4)	Nov. 1/48	1,200
SERVICE						
Hotel & Restaurant	58.6	Cadillac, Central, Commercial, Genosha & Queens Hotels	Oshawa, Ont.	(5)	July 16/48	140
Personal	60.8	Burnett Cleaners & Dyers	Montreal, P.Q.	8-20¢	Nov. 27/48	200
TRADE		Thrift Stop & Shop	Montreal, P.Q.	(6)	Nov. 1/48	600
		Dominion Store	"	(7)	"	250

(2) 65¢ per day

(3) \$20 per month

(4) \$15 per month cost-of-living bonus

(5) \$3 - \$8 per week

(6) \$2.50 per week

(7) \$8 per week.

CURRENT LAY-OFFS IN MANUFACTURING INDUSTRIES

Lay-offs in the month of November affected approximately 4,253 workers, an increase of 78 per cent from the number affected in the previous month. Shortages of orders accounted for 55 per cent of the lay-offs; these were mainly in the transportation and wood products industries. Power cut-offs accounted for 31 per cent; many of these were in the non-ferrous metals and paper products industries. Financial difficulties, production changes and repairs were responsible for 11 per cent.

Reported lay-offs during November, 1948, increased from 2,394 in October to 4,253. Shortages of orders in the month of November were responsible for 55 per cent of all lay-offs. Power restrictions in Ontario and some parts of Quebec accounted for 31 per cent; other causes, for 11 per cent; and material shortages for 3 per cent.

Lay-offs due to the shortages of orders have been most extensive in the transportation and wood products industries. Shipbuilding and repairing firms, with current contracts nearing completion and no new ones available, are finding it necessary to reduce their staffs. Dwindling overseas markets are causing a slump in the Canadian lumbering industry, especially on the West coast, where production is piling up. Prices on the West coast in the U.S.A. have fallen and purchases are cutting down inventories in preparation for an expected recession in retail prices. Many of the mills affected are small ones, however, which were opened up during the war-boom years. Central Canada, so far, has not been seriously affected by price declines, but operators are moving more slowly, trying to anticipate future market conditions.

Power cut-offs, while responsible for slightly more than 1,300 lay-offs, have not been as serious as first expected. Many firms have installed their own generators; others have reorganized working hours to take advantage of all available power. Aluminium manufacturers, large consumers of electric energy, were affected most, with 708 workers laid off temporarily. The remaining lay-offs because of power shortages have been occurring sporadically throughout the other major industries.

Work stoppages due to financial difficulties, production changes and repairs caused the lay-off of 478 workers. Increased production costs due to obsolete machinery have forced one steel manufacturer to close indefinitely.

Statistical data on lay-offs have been computed from information obtained from National Employment Service reports. The information is not necessarily complete, but does include data on all major lay-offs.

Table 1--Lay-offs Reported by National Employment Service Offices in
Manufacturing Industries, by Cause

Cause of Lay-off	September, 1948		October, 1948		November, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Shortage of Orders	768	21.4	368	15.4	2,352	55.3
Shortage of Materials..	2,359	65.7	630	26.3	100	2.4
Shortage of Power.....	130	3.6	96	4.0	1,323	31.1
Other Causes	334	9.3	1,300	54.3	478	11.2
Total	3,591	100.0	2,394	100.0	4,253	100.0

Table 2--Lay-offs Reported by National Employment Service Offices in
Manufacturing Industries, by Industry

Industry	September, 1948		October, 1948		November, 1948	
	Number	Per Cent	Number	Per Cent	Number	Per Cent
Food and Beverages	65	1.8	12	0.5	357	8.4
Tobacco Products.....	-	-	-	-	-	-
Rubber Products	-	-	-	-	124	2.9
Leather Products	-	-	120	5.0	20	0.5
Textile Products	241	6.7	156	6.5	40	0.9
Clothing	35	1.0	-	-	-	-
Wood Products	351	9.8	245	10.2	711	16.7
Paper Products	40	1.1	95	4.0	230	5.4
Printing and Publishing	105	2.9	-	-	-	-
Iron and Steel	94	2.6	128	5.3	429	10.1
Transportation Equipment	2,521	70.2	1,375	57.4	1,305	30.7
Non-Ferrous Metals	74	2.1	33	1.4	708	16.6
Electrical Apparatus ..	15	0.4	100	4.2	-	-
Non-Metallic Mineral Products	50	1.4	30	1.3	70	1.6
Chemical Products	-	-	90	3.8	154	3.6
Miscellaneous	-	-	10	0.4	105	2.6
Total	3,591	100.0	2,394	100.0	4,253	100.0

REGIONAL ANALYSIS

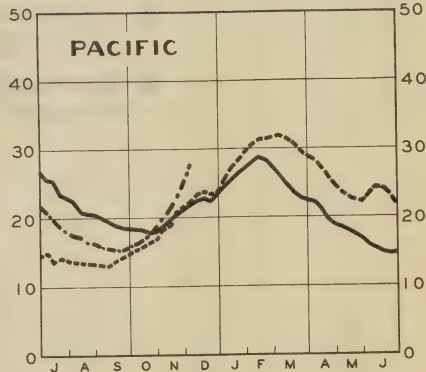
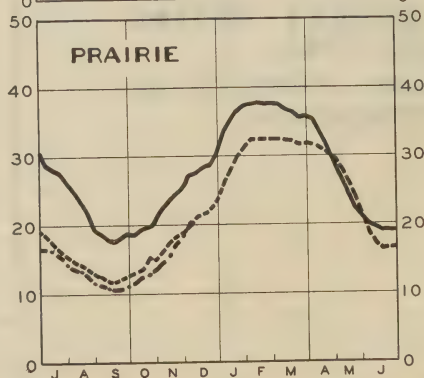
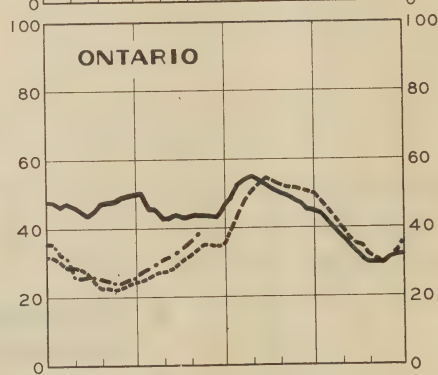
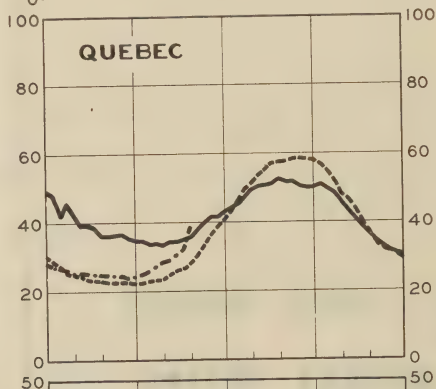
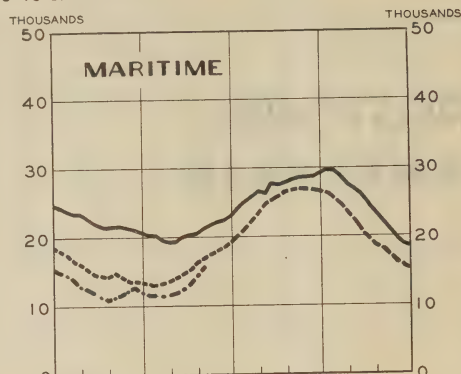
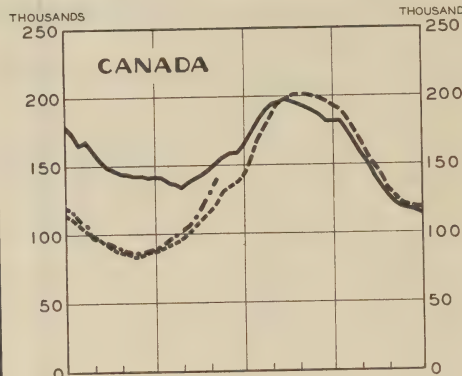
- ▲ REGIONAL LABOUR MARKET
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PLANT EXPANSION

REGIONAL UNPLACED APPLICANTS

AS REPORTED BY

NATIONAL EMPLOYMENT SERVICE

— JULY 1946 - JULY 1947
 --- JULY 1947 - JULY 1948
 - - - JULY 1948 TO DATE



REGIONAL LABOUR MARKET SUMMARY

Fall activity in construction and transportation continued strongly to the end of November in the eastern regions, owing to remarkably fine weather. The same fine weather, however, prolonged the hydro shortage for Ontario and parts of Quebec. The sharp reduction in logging operations this year has most affected seasonal workers in Quebec. In B.C., transient workers from the Prairies still arrived looking for jobs, but little work was available since the off-season had started and towards the end of the month, bad weather and snow further curtailed activity.

THE MARITIMES -

The labour surplus rose further during November, but in spite of a very slack season in logging, employment conditions were more favourable than last year. Unplaced applicants were 1,000 fewer than at the end of last November. Expansion in construction and transportation, which employ about 36 per cent of industrial workers, accounts partly for the improvement. Also, a steadier supply of steel and other materials has permitted manufacturing plants to operate continuously. But a large factor has been the movement of workers to Ontario and Quebec, which has lightened the burden of chronic unemployment for some sections of the Maritimes.

As reported previously, logging operations have been greatly reduced this season, and employment has dropped accordingly. Operators in some districts expect to complete their schedules by the end of December. The uncertain market for soft lumber and general expectation of falling prices, has discouraged logging activity.

Transportation presents a brighter picture, however. Port activity, particularly, showed an advance during November. The difficult situation caused by the diversion of ships to Halifax from strike-bound U. S. ports cleared by the end of the month, after giving rise to many decisions and counter-decisions concerning their unloading. The outlook for the winter is good, too--new sailings are planned, while as usual all wheat shipments will be going through Saint John and Halifax after ice closes the port of Montreal early in December.

Construction continued at a good pace since the weather has been remarkably mild. From now on, however, outside work will taper off, but efforts to "house in" projects for winter have succeeded in providing a good volume of inside work which will employ almost all skilled tradesmen.

Coal mines were operating steadily but no expansion of employment was expected until the collective agreement at present under negotiation has been signed.

Wage negotiations were also under way in several heavy manufacturing plants. Work was proceeding well, however, and orders on hand were

large. Textile and furniture factories reported lay-offs due to material shortages.

Farm labour demand was practically non-existent. Milk producers were requesting a price increase--they claimed that wage competition with other industries for workers was too great. Meanwhile sales of dairy cattle across the U. S. border continued and the shortage of dairy products became more acute.

QUEBEC -

Employment conditions during November were normal for the time of year, except for the decline in logging activity. The level of unplaced applicants was 8,000 higher than at the end of last November, despite a general expansion since then in all industries except logging. Apart from the current difficulty in finding jobs for the seasonal workers who normally work in the woods at this time of year and who largely account for the increase in applicants, employment conditions are sound. The labour force has increased in Quebec more than in any other region during the past year owing to the addition of Maritime workers and immigrants as well as to the natural growth of the population. Most of these workers filled specific industrial needs and enabled the expansion of industries where suitable labour had previously been unobtainable.

The hydro situation improved somewhat towards the end of November as rainfalls raised the water level and eased the shortage of power. Mining areas substituted diesel power and production continued; for the aluminium industry of Chicoutimi, however, the power shortages were more serious and large lay-offs occurred.

Manufacturing industries maintained steady employment in general. Textile plants showed increased activity and reported the lowest labour turnover in several years. Heavy industries were busy--locomotive contracts for one large Montreal firm guaranteed full employment for its workers until the end of 1949. Shipbuilding in Sorel continued at full strength, but winter lay-offs were scheduled for December. Meatpacking activity was past its seasonal peak and plants were not hiring replacements. Shoe firms report a substantial decline in sales, which will involve employment cuts unless the market improves.

Construction kept up well during the fine fall weather but from now on little outside work will be done. Skilled tradesmen were employed on inside finishing work, but labourers were gradually released.

ONTARIO -

Unusually fine weather in November affected general employment in Ontario in two ways--it sustained construction activity at a high level, and it prolonged the hydro shortage. Applicants increased during the month fairly sharply, and the labour surplus was some 5,000 higher than last year's. All industries but logging have expanded in employment during the past year, however.

The shortage of hydro power caused industry and labour a great deal of inconvenience, with loss of production and hours worked, but comparatively few actual lay-offs were attributed to the power shortage. By the end of the month, most firms had adjusted working hours or working days to meet the emergency. Labour demand was affected, however, since few firms were hiring more workers while the shortage continued.

Logging areas report that the cutting season will end earlier than usual, and in centres such as Fort William, Port Arthur and Sault Ste. Marie all camps were filled, with no further demand for woodsmen.

Farm labour demand was slack. Polish Veterans whose two-year contracts expired during the month were seeking industrial employment for the winter; many wished to return to agriculture in the spring.

Manufacturing firms were operating steadily at capacity where power and material supplies would permit. Steel shortages prevented further expansion in some plants. Rubber industries were expanding steadily, and electrical firms also were stepping up production. The automobile industry at Windsor was preparing for the switch to 1949 models and the usual lay-offs were in progress; at Oshawa, similar large lay-offs were scheduled for December but re-hiring would begin progressively within a month.

The navigation season on the Lakes was due to close on December 15th, and demand for seamen was light by the end of November. Great activity was evident at the Lakehead since insurance rates on grain shipments rise at December 1st, and shippers were anxious to avoid the extra cost.

THE PRAIRIES -

Normal employment conditions were reported for the Prairies during November. Workers were moving into the cities from rural areas, and any general labour requirements in all industries were easily filled.

Farm labour demand was slight. The Polish Veterans who have completed their two-year contracts in agriculture, and who have any specialized skill, were gradually being fitted into their own trades--the shoemakers, woodworkers, tailors, and other skilled workers among them were readily placed in employment. Others were looking for winter employment, but wished to return to farm work in the spring.

Construction activity held up remarkably well, due to unusually mild weather. Projects already closed in will maintain a good volume of employment for skilled tradesmen during the winter. Many major projects are scheduled for next year. To offset power shortages, which the Manitoba Government has been warned will develop in the near future, a \$20,000,000 power plant project is to be undertaken at Pine Falls on the Winnipeg River. This project will be completed in 1952 and will provide employment for about six hundred men.

In Manitoba, logging camps were filled, at about the same employment level as last year. Wages are up 10 per cent this season and, since camp conditions have greatly improved, good men were easily obtained.

Coal mines were operating on full schedules, as the box car shortage improved during the month. Certified miners were still urgently needed. More Displaced Persons, all of whom have had previous experience underground, were placed in employment as mine labourers.

Meatpacking plants were well staffed for peak operations. Flour mills were working at capacity, and no immediate shutdowns were anticipated despite the weakness in export markets.

THE PACIFIC -

The usual seasonal decline in employment was well under way during November and the labour surplus rose sharply. Construction, fishing and logging activities were slowing down for the winter months.

In addition to these normal seasonal trends, weak market conditions forced small logging operations to close very early, and caused cut-backs in sawmill and shingle mill employment. Many camps will not likely re-open until late in March. Also, transient Prairie workers still flocked into B. C. in search of winter jobs, despite newspaper publicity as to general conditions.

The labour surplus was not only heavy, but concentrated. Vancouver and New Westminster alone accounted for 72 per cent of all unplaced applicants in the region at the end of November. The British Columbia government was concerned with the possibility of decentralizing business and industry. About 80 per cent of the population is centred in the lower mainland near Vancouver and on the southern part of Vancouver Island, and the trend has been towards even more intense concentration of industry and people near Vancouver. Provincial government plans were aimed at developing the industrial wealth of the hinterland and encouraging settlement to counter-balance the congestion in the southwest section of the province.

Considerable construction activity was in evidence as contractors made efforts to roof projects before winter weather arrived. Most were successful, and outside workers now have been laid off.

Employment in machine shops, general metal manufacturing and other plants was low. One large shipbuilding contract was completed, and a lay-off resulted. No improvement in manufacturing activity is expected until Spring.

LABOUR MARKET RATING OF COMMUNITIES

In the following table, thirty-eight of the major labour market areas in Canada are classified according to the ratio of unplaced applicants to wage and salary workers at work. A comparison is shown between the group ratings of the thirty-eight areas at December 1, 1947, at November 1, 1948, and at December 1, 1948.

This classification is based on a ratio of unplaced applicants per 1,000 non-agricultural wage and salary workers at work. In addition, these ratios have been consolidated into four groups, denoting four generally different labour market situations. The four groups can be explained as follows:

- Group I—Areas in which there are more than 300 unplaced applicants for every 1,000 non-agricultural wage and salary workers at work. The labour market situation in areas within this group has been labelled Acute, in the sense that it corresponds to that which existed in the Mid-Thirties.
- Group II—Areas in which there are between 150 and 300 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group is characterized as Serious, in the sense that it corresponds to that which occurred in 1939.
- Group III—Areas in which there are from 50 to 150 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Moderate in the sense that it corresponds to that which existed in 1941.
- Group IV—Areas in which there are under 50 unplaced applicants for every 1,000 wage and salary workers at work. The labour market situation in areas within this group has been characterized as Favourable, in the sense that it is comparable to conditions during the years 1943 and 1944.

It should be understood that the above ratio is only a general method of classifying conditions as they are pictured by the local National Employment Service office. The ratings for November and December of 1948 are preliminary.

LABOUR MARKET RATING OF COMMUNITIES

Note: The thirty-eight areas below are arranged in descending order within each group.

Area	Ratio December 1,1948	Group Rating		
		December 1,1948	November 1,1948	December 1,1947
<u>Population of 100,000 & over</u>				
Quebec.....	93	III	III	III
Vancouver.....	82	III	III	III
Windsor.....	59	III	III	III
Victoria.....	51	III	IV	IV
Winnipeg.....	43	IV	IV	IV
Calgary.....	38	IV	IV	IV
Ottawa.....	36	IV	IV	III
Hamilton.....	36	IV	IV	IV
Edmonton.....	25	IV	IV	IV
Toronto.....	18	IV	IV	IV
Montreal.....	11	IV	IV	IV
<u>Population of 50,000 to 100,000</u>				
Sydney.....	123	III	III	II
Halifax.....	65	III	III	III
Saint John.....	65	III	III	III
Fort William - Port Arthur....	34	IV	IV	IV
Regina.....	34	IV	IV	IV
London.....	31	IV	IV	IV
Kitchener-Waterloo.....	9	IV	IV	IV
<u>Population of 25,000 to 50,000</u>				
Chicoutimi.....	124	III	III	IV
Hull.....	102	III	III	III
Shawinigan Falls.....	81	III	IV	III
Oshawa.....	63	III	III	III
St. Catharines.....	59	III	III	IV
Sherbrooke.....	55	III	III	IV
Three Rivers.....	54	III	IV	IV
Kingston.....	39	IV	IV	IV
Saskatoon.....	33	IV	IV	IV
Peterborough.....	29	IV	IV	IV
Brantford.....	27	IV	IV	IV
Sault Ste. Marie.....	19	IV	IV	IV
Sudbury.....	18	IV	IV	IV
<u>Population of under 25,000</u>				
Sorel.....	142	III	III	IV
Valleyfield.....	115	III	III	III
Pictcu - New Glasgow.....	92	III	III	III
Amherst.....	84	III	IV	III
Welland.....	70	III	IV	IV
Niagara Falls.....	29	IV	IV	IV
Trail.....	22	IV	IV	IV

EMPLOYMENT EFFECTS OF PLANT EXPANSION

As 1948 draws to a close, it is apparent that the number of new jobs opened up because of industrial expansion was higher in 1948 than in any of the immediate post-war years. Besides the many new plants, plant extensions and modernization programs completed during the year, 1948 has seen the almost complete disposal of war-built Crown plant property, much of which went to private industry.

The high level of employment in manufacturing industry during the latter part of 1948, compared to 1946 and 1947, is to a large extent attributable to heavy industrial capital investment in new plant, machinery and equipment in the post-war years. Such capital investment during the past three years amounted to about \$1.3 billion.

Construction work was greatly hampered during the immediate post-war years by shortages of both materials and labour. By 1948, however, these were in better supply. Most construction projects for new plant were able to progress and many expansion projects started in 1946 and 1947 were completed. As a result, the number of new jobs opening up because of industrial expansion was higher in 1948 than in the preceding two years.

Moreover, at this point, industrial expansion in Canada is by no means exhausted, although some construction plans have been temporarily shelved because of high building costs. It is likely many of these postponed plans will be carried out as soon as market conditions warrant.

In the files of the Research and Statistics Branch of the Department of Labour, well over 700 instances of plant expansion whether it be a new plant, plant expansion, or the use of present facilities are recorded for 1948 alone. Prior to and including 1948, some 114 Crown plants, involving some seventeen million square feet of floor space, were made available to private industry. As at June 1, 1948, it was estimated that as many as 50,000 workers will eventually be employed in Crown plants used by private industry at that date. Crown plant buildings which were made available to private industry were for the most part sold outright, but in some cases were leased, or let out under multiple tenancy arrangements.

All information in the accompanying table has been confirmed by direct contact with the companies concerned. The table is not intended to provide a complete listing of all industrial expansion, nor to suggest that the firms listed each month are indicative of the decisions to build a plant or plant extension in that particular month. Rather, the firms listed over several months may be considered as typical examples of expansion programs being carried out in various manufacturing industries during the year.

INDUSTRIAL EXPANSION

Area	Industry and Name of Company	Type of Expan- sion (1)	Number of New Employees	Probable Time of Commence- ment of Production
Beauharnois, P.Q.	Chemical Products Dominion Alkali & Chemical Co. Ltd.	N.P.	80	1st Qtr/49
Quebec, P.Q.	Paper Products Champlain Paper Box Co. Ltd.	P.F.	125	3rd Qtr/48
Quebec, P.Q.	Clothing Fine Children's Wear Ltd.	N.P.	200	3rd Qtr/48
Terrebonne, P.Q.	Leather Products Premier Leather Goods Ltd.	P.F.	40	1st Qtr/49
Thurso, P.Q.	Wood Products Division The Singer Mfg. Co.	N.P.	300	4th Qtr/47
Valleyfield, P.Q.	Textile Astens-Hill Ltd.	P.E.	30	1st Qtr/49
Ajax (Toronto) Ont.	Electrical Apparatus Pye Canada Ltd.	P.F.	100	2nd Qtr/49
Belleveille, Ont.	Electrical Apparatus Northern Electric Co. Ltd.	N.P.	625	4th Qtr/47
Fort William, Ont.	Food and Beverages Edible Oils Ltd.	N.P.	56	3rd Qtr/48
Niagara Falls, Ont.	Non-metallic Mineral Products Lionite Abrasive Co.	P.E.	100	2nd Qtr/49
Toronto, Ont.	Food and Beverages Maple Leaf Milling Co. Ltd.	P.E.	15	2nd Qtr/49
Flin Flon, Man.	Non-ferrous Metal Products Hudson Bay Mining & Smelting Co. Ltd.	P.E.	100	4th Qtr/49

(1) N.P.—New Plant; P.E.—Plant Expansion; P.F.—Present Facilities.

